Daily Report

East Europe

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President Berisha Gives New Year Address

LD0101203495 Tirana Radio Tirana in English 1900 GMT 1 Jan 95

[FBIS Transcribed Text] Addressing to all the Albanians wherever they are, the Albanian President Sali Berisha wished them a happy New Year. Let this year be a year of achievements, he said. I believe, despite the political belonging, we all have the right to pass from the previous year with gratitude. [sentence as heard]

The year 1994 was the year that brought Albania closer to Europe. It was the year of the rapid development of the country, intensive changes, the all-around deepening of the reform and its consolidation. The Albanians are now more free. They live better. They are better informed, travel more, and they are more respected than ever. The human rights and the freedom of individuals assume new dimensions.

The Albanian president hailed the achievements in the reforming of the legislation, development of the market economy, and the inauguration of the referendum in the Albanian political life.

The president mentioned the difficulties caused by the strict measures of the economic reform, but he said these measures had been necessary to [word indistinct] up another future. He mentioned the difficulties of a psychological character. But, I think, he went on, that all this won't mar the development in the economic field during the year 1994, which made Albania be considered as a surprise of the economic reform by serious institutions in the world.

The year 1994 is the year of macroeconomic stability of the country and the rapid development with an economic growth of 8 percent—the highest in Europe. The savings of the citizens increased by 60 percent, the export by 31 percent, while the inflation fell 25 percent under the foreseen values. More than 2,500 enterprises are privatized—twice as many as the year 1993. The investments increased thrice compared to 1993.

The year 1994 presented Albania once more as a factor of peace and stability in our troubled region, Berisha said. An unprecedented cooperation was realized with the world during this year. It was formalized through some treaties and agreements with the main European Union countries like Germany, France, United Kingdom, the United States, and the Balkan countries. During this year, Albania signed the Partnership for Peace initiative that paved the way to the membership to NATO. Albania has intensified the cooperation with the international organisms. The United Nations resolution on Kosovo is an important achievement of the Albanian diplomacy.

Albania proved to be a worthy partner in the international arena that respects the signed agreements, builds up its dignity and the values on which a democratic society is constructed, because Albania is determined to integrate with Europe by developing a proper democracy. All this has resulted in the growth of prestige of Albania, the strengthening of its security and its role and contribution in the region.

The year 1994 was the year of titanic efforts of the Albanians in Kosovo, Montenegro, and Macedonia to realize their human and national rights. Kosovo, despite the increasing repression of the Serb power, has assumed a dimension it has never had before. The international community is becoming conscious of the fact that the right settlement of the Kosovo issue is decisive for the settlement of the crisis in the whole region. And the Albanian factor has played a primary role for the peace and stability of the Balkan peninsula.

For the year 1995, the president said the main objective will be the further development of democracy, its values, and the market economy that are decisive for the future of the nation and its integration with Europe. The president appealed for tolerance, good understanding, and solidarity, considering them as vital for the development of democracy and unity of the nation. We must transform the year 1995 into the year of massive privatization and the quick growth of the economy, Berisha said. The Albanian integration with Europe and the protection of the national issue will be the major priorities of our foreign policy.

The president expressed the gratitude to all these friendly countries and governments for their generous help and the solidarity with Albania during the year 1994.

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Chairman Says SDS To Remain 'Noncommunist'

AU3012110094 Sofia Khorizont Radio Network in Bulgarian 1000 GMT 30 Dec 94

[FBIS Translated Text] In an interview to Radio Plovdiv, Ivan Kostov, new chairman of the National Coordinating Council of the SDS [Union of Democratic Forces], said the SDS is not planning any change in its noncommunist nature, regardless of the change of leadership. He attributed his election to his high post to the good election results the SDS obtained in Plovdiv. In his view, the immediate task facing the SDS is to change and revitalize its local structures.

Union Federation Promises Customary Social Peace

AU3012122294 Sofia DUMA in Bulgarian 24-25 Dec 94 p 1

[Report by Ekaterina Nikolova]

[FBIS Translated Text] The KNSB [Confederation of Independent Trade Unions in Bulgaria] promises the new government the customary 100 days of social peace, provided the cabinet takes no hostile action against the trade unions. There would be no need to sign any special agreement for this purpose, and during this period the confederation will not call any mass strike actions, Professor Krustyu Petkov promised yesterday. Petkov hopes that no anti-trade-union figure appears in the BSP [Bulgarian Socialist Party] leadership who might force the KNSB to change its position. He pointed out, however, that the goodwill shown by the KNSB does not mean the Socialists can ignore their commitments in the social sphere until June.

Petkov said he had five specific proposals ready, for encouraging a flow of new money into the Bulgarian economy without involving our country in any obligations toward international financial institutions. He said the offer would be made to the new prime minister as soon as he assumes office. According to Petkov, the investments in question can be provided within less than a year.

Newspaper Lists Parliamentary Group Members

AU2912182894 Sofia DEMOKRATSIYA in Bulgarian 23 Dec 94 p 1

[FBIS Translated Text]

Members of Parliamentary Group of Union of Democratic Forces

1. Blagoevgrad: Spas Simeonov Dimitrov, Ivan Petrov Budimov, Anatoliy Metodiev Velichkov

2. Burgas: Stoyan Chilov Raychevski, Nikola Stoilov Katsarski, Krasimir Atanasov Momchev

3. Varna: Aleksandur Yordanov Aleksandrov, Vladimir Todorov Abadzhiev, Blagoy Nikolaev Dimitrov, Dimo Georgiev Gyaurov, Dimitur Georgiev Zhelev

4. Veliko Turnovo: Nadezhda Nikolova Mikhaylova, Tsvetan Ivanov Dimitrov 5. Vidin: Emil Yanakiev Kapudaliev

6. Vratsa: Ivan Kirilov Stanchev

7. Gabrovo: Tsonyo Georgiev Botev, Svetlana Georgieva Dyankova

8. Dobrich: Aleksandur Dimov Bozhkov

10. Kyustendil: Loreta Metodieva Nikolova, Evgeniy Penkov Ekov

11. Lovech: Evgeniy Svetoslavov Mikhaylov, Nelson Maknev Nenov

12. Montana: Petur Stefanov Stoyanov

13. Pazardzhik: Ekaterina Ivanova Mikhaylova, Mikhail Rashkov Mikhaylov, Ivan Khristov Dimitrov

14. Pernik: Vasil Nikolaev Mikhaylov, Charodey Petrov Chernev

15. Pleven: Yordan Georgiev Sokolov, Dyanko Georgiev Markov

16. Plovdiv City: Ivan Yordanov Kostov, Pavel Dimitrov Shopov, Grigor Kostov Malev, Muravey Georgiev Radev, Vasil Zhelyazkov Doykov, Vladimir Nikolov Nikolov

17. Plovdiv Okrug: Konstantin Vankov Todorov, Ruslan Marinov Serbezov, Ivan Penchev Tosev, Nikolay Dimitrov Nalbantov

19. Ruse: Stefan Antonov Sofiyanski, Dimitur Tsonkov Ivanov

21. Sliven: Dimitur Asenov Saruivanov

22. Smolyan: Zvezdalin Vekilov Kafedzhiev

23. Sofia: Ivan Milkov Kurtev, Valentin Iliev Vasilev, Georgi Stefanov Panev, Mariyana Ivanova Lukova, Georgi Gervanov Ananiev, Ivan Ivanov Sungarski

24. Sofia: Filip Dimitrov Dimitrov, Svetoslav Deychev Luchnikov, Ivan Zapryanov Glushkov, Krum Dimitrov Slavov, Mario Ivanov Tagarinski, Ivan Georgiev Sotirov

25. Sofia: Edvin Stefanov Sugarev, Georgi Benchev Karev, Luchezar Blagovestov Toshev, Vladislav Borisov Kostov, Svoboda Stefanova Encheva

26. Sofia Okrug: Vasil Stoyanov Gotsev, Dimitur Anastasov Stoyanov

27. Stara Zagora: Asen Yordanov Agov, Dako Neykov Mikhaylov, Sasho Nachev Stoyanov

29. Khaskovo: Khristo Damyanov Biserov

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30. Shumen: Vladimir Georgiev Shkodrov

31. Yambol: Vasil Ivanov Zlatarov

Resolution on Procedure for Amending Constitution

95BA0021A Sofia DURZHAVEN VESTNIK in Bulgarian 27 Sep 94 No 78 p 1

[National Assembly Resolution]

[FBIS Translated Text] *Resolution on the Adoption of Procedural Rules Relative to the Draft Law on Amending and Supplementing the Constitution of the Republic of Bulgaria*

In accordance with Articles 153, 154, 155, and 156 of the Constitution of the Republic of Bulgaria, and Item 2 of supplementary regulations of the Regulation Governing the Organization and Activities of the National Assembly, the National Assembly resolves to adopt the regulation on the procedure relative to the draft law on amending and supplementing the Constitution of the Republic of Bulgaria.

Procedural Rules Governing the Draft Law on Amending and Supplementing the Constitution of the Republic of Bulgaria

Article 1. The draft law on amending and supplementing the Constitution shall be discussed and adopted by the National Assembly by means of three votes held on different days.

Article 2. (1) The draft law shall be reported by the Legislative Commission.

(2) The Legislative Commission chairman shall explain to the National Assembly the basic stipulations of the draft law, and the national representatives will discuss the issue. Motions for the second vote shall be discussed and adopted only if submitted in writing and signed by 25 percent of the national representatives.

Article 3. (1) Immediately after the conclusion of the debates, the National Assembly chairman shall put to a vote the draft bill on amending and supplementing the Constitution, in principle.

(2) The draft law shall be considered adopted in the first vote if three-fourths of all national representatives vote in favor.

Article 4. (1) The draft law on amending and supplementing the Constitution adopted in the first vote shall be sent to the Legislative Commission for additional discussion.

(2) The Legislative Commission shall submit a justified report on the submitted motions not less than one and no more than three days from receipt of the draft law passed in the first vote. Should the deadline expire on a day on which the National Assembly is not in session, the report shall be debated at the next plenary meeting.

(3) The second vote shall be scheduled within the deadlines stipulated in the preceding paragraph.

Article 5. (1) At the second vote, the National Assembly shall discuss the draft law on amending and supplementing the Constitution and the written proposals on amendments and supplements.

(2) Motions on amending and supplementing shall be discussed if submitted within 24 hours after the voting on the draft law in the first vote, as per Article 2, Paragraph 2.

(3) Motions on a second vote shall not be discussed if they conflict with the principles of the draft law adopted at the first voting, and amendments of other texts within the Constitution may be submitted unless they are directly related to the motions on amending the text.

(4) The draft law shall be passed at the second vote if the submitted texts have been approved by three-fourts of all national representatives.

Article 6. (1) The draft law on amending and supplementing the Constitution shall be put to a third vote at the next session, which shall take place no later than three days following the adoption of the draft law at the second vote.

(2) The draft law on amending and supplementing the Constitution shall be voted upon in its entirety. The national representatives shall personally sign their names in the special record book. The law shall be passed at the third vote if it has been signed by three-fourths of all national representatives.

Article 7. Should fewer than three-fourths but no fewer than two-thirds of the votes of all national representatives favor the motion, the motion shall be submitted for a new discussion no sooner than two and no later than five months. In the new debates the motion shall pass if at least two-thirds of all national representatives vote in favor of it.

This resolution was adopted by the 36th National Assembly on 15 September 1994 and stamped with the state seal.

[Signed] National Assembly Chairman: Aleksandur Yordanov

BSP, BSDP Representatives Debate Platforms

AU2912182994 Sofia SVOBODEN NAROD in Bulgarian 15-21 Dec 94 p 3

[Transcript of "Glarus" radio debate between Stefan Radoslavov, leader of the Democratic Alternative for the Republic slate in the Burgas electoral district, and Georgi Purvanov, leader of the Bulgarian Socialist Party slate in that same district; place and date not given: "The BSDP Is Prepared for Policy Without Punches Below the Belt"]

[FBIS Translated Excerpt] [Moderator] What are the differences in the preelection messages of the Bulgarian

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Socialist Party [BSP] and the Bulgarian Social Democratic Party [BSDP] against the background of the myriad of such messages that all parties issue on the eve of elections?

[Purvanov] I would not begin with the differences. Let me stress the basic factors that characterize our positions. Let me also point out that our message does not refer to the distant future or the next century. It is related only to the four-year mandate that we will receive as a result of the elections. I will begin by stressing that we have three main poles in our platform, which are printed on our platform's title page: Change, Justice, Security.

By change, we mean the implementation of a decisive change in production. In other words, effecting a revival. We intend to develop this revival into economic growth with a view to restoring 200,000 work places. This a specific commitment that the BSP assumes.

A decisive economic change also means privatization. By this I mean an accelerated privatization with a pronounced social character. The Bulgarian citizens who contributed to constructing the national wealth must now receive their share of it through the privatization.

I also want to stress the serious social character of our election platform—for example, the fact that the document consistently defends such social achievements as free health protection, free education for our children, and so on. Last, what I want to point out is the fact that both platforms consistently adhere to the republican idea. [passage omitted]

[Moderator] Mr. Radoslavov, what Mr. Purvanov has described here is what he calls the pragmatism of the short four-year mandate, and social commitments to the nation that the parties must assume, and the parties' adherence to the republican idea. What is your position on this matter?

[Radoslavov] Mr. Purvanov spoke about the similarities, so I will describe the differences. Our program aims to protect the interests of the simple folk. We are puzzled by the fact that the programs of both the BSP and the Union of Democratic Forces [SDS] do not properly defend the interests of labor. This is less puzzling where the SDS is concerned. All the technologies of reform that are being proposed must be coordinated with the interests of a specific category of people—indeed, the great majority of the people. As it is, the BSP adheres primarily to the participation of the state in economics, while the SDS stresses private owners and ownership. Thus, actually, the forms of ownership are being changed. We demand that the foundations of a new system be established, a system that will continue—even for years—to steadily eliminate hired labor and turn the hired workers into owners. This will not happen rapidly. However, this is the only way to create a middle class, precisely as has been achieved in Western Europe during the 50 years following World War II. This is the main thing, because without the middle class, we will not have lasting democracy or a republic or all the other beautiful things we all adhere to. [passage omitted]

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Minister Discusses Unique Privatization of Economy

AU0201215995

[FBIS Editorial Report] Prague LIDOVE NOVINY in Czech on 21 December on page 9 carries a 3,800-word interview with Jiri Skalicky, minister for the administration and privatization of national property, by Frantisek Masek, entitled "We Are Privatizing Property Worth a Trillion Korunas [Kc]." The place and date of the interview, in which Skalicky discusses the privatization process to date and its effect on future developments, are not given.

To begin with, Skalicky recounts the privatization statistics: "Property worth Kc30 billion was privatized in the so-called small-scale privatization, organized by district privatization commissions, by the time it was concluded last year. In the 'large-scale privatization,' projects worth Kc925 billion were approved by the end of November of this year. Thus, the value of this property will apparently surpass a trillion korunas." Classifying the projects by method, Skalicky specifies that "more than one-half of the approved 18,786 units come under direct sales, less than one-quarter under payment-free transfers of state property to cities and communities. Auctions and transformation of companies represent a little more than one-tenth, and 5.29 percent are public tenders." There were 26,569 privatization projects for 4,638 enterprises submitted for approval, according to Skalicky, by the end of November. The commission passed a decision on 75 percent of them. "Each third submitted privatization project was approved."

Skalicky then reiterates "the several times published" reasons for the use of the "unique nonstandard method" of coupon privatization. The main one was the need "to fast privatize an economy in which the state owned 98 percent of the property," and that in the situation "when people had practically no capital." The reason for the success of coupon privatization in the Czech Republic of property worth approximately Kc360 billion was, according to Skalicky, that, "as opposed to the attempts at emulating it abroad, it was lucid and transparent." Unlike elsewhere, Skalicky continues, the coupon privatization was a precisely delimited and relatively fast process. Moreover, the nontransferability of the coupons contributed to the success. Skalicky brushes aside the mention of criticism of the second wave of coupon privatization, saying that the "focus of interest on a relatively small number of enterprises," caused by the original pricing of the shares, averted other problems, and, while, as a result of this, "the first round was not very successful, it provided data on actual interest in the individual enterprises." The only other complication from the point of view of the pricing was, according to Skalicky, that "the investors in the second wave already had some experience from the first wave." Nevertheless, the pricing commission was vindicated in the final analysis of the results, because "a larger percentage of the offered property was sold, and more investment coupon points were applied in the second wave than in the first."

Asked about the Lizner (official accused of bribery) scandal, Skalicky admits that it "undoubtedly damaged the reputation of coupon privatization," but, as he says, "there is no indication that this would cast doubts on the actual process of coupon privatization."

The success of coupon privatization was reflected in the interest shown by many countries in the Czech privatization "know-how." According to Skalicky, an "overwhelming majority of the countries that shared our fate in the past indicated such interest. Not only the post-communist countries, but also Latin American ones, and some African—Egypt, for instance. Another thing entirely is, however, to what degree they decided to apply an analogous method. Some states made errors, we feel, which somewhat complicated coupon privatization. Romania, for instance, issued transferable coupons, and, as a result, is facing a serious problem."

Speaking about the future of the privatized firms, Skalicky says that the purpose of privatization is that "someone other than enlightened government employees make decisions." Nevertheless, the future of the enterprises will also differ according to their specialization. Problems in privatization of agriculture are caused, according to Skalicky, mostly by the bad state of property records, and health care is a very special case. He does not believe, however, that the hitherto approach should change.

Asked about the future of coupon privatization, Skalicky says, "most of the state firms—a total of almost 4,000 companies—have been privatized in the first two waves of privatization. Since then, three small lists have been drafted of other property that should be privatized," and, for some reason, was not included in the first two waves. "The last list should be prepared by the end of the year, and that is the end of the mass privatization in the Czech Republic. The work on these lists, project proposals for which we are currently accepting, should conclude at the beginning of 1996."

That does not mean the end of privatization, Skalicky says, but it will no longer be a mass one. Of course, the existence of Skalicky's ministry could not be justified after this, and the minister says that his "personal goal is to complete the tasks the ministry has to fulfill so fast that we will not to have to exist as the appropriate body of state administration after the parliamentary elections in 1996."

There are two fundamental issues, however, that must be dealt with after the conclusion of coupon privatization. "First, the securities market must be perfected." In this context, Skalicky calls for a stricter regulation of the transactions. The other problem, according to the minister, is the position of the investment funds. "The law in effect is based on legislation of the advanced countries, where dozens of traditional portfolio, pension, and

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insurance funds exist." They are "institutional investors operating on the capital market" and "do not interfere with the management of the existing enterprises." The situation in the Czech Republic is different. "In coupon privatization, it was necessary to enable the new owners to exercise their rights. At the same time, however, it is necessary that interests of the banks (as the most significant creditors of our enterprises), investment funds (the largest ones are usually connected with banks), and the enterprises themselves are not interlinked." Skalicky believes that there should be a definite separation made between traditional portfolio funds that cannot affect the management of the enterprises, and funds "that would be transformed into capital companies oriented toward efficient management of the enterprises, which they partially own." According to Skalicky, this would contribute to "privatization of the Czech economy bringing the expected results."

Five Years Since Revolution Surveyed

95CH0069B Prague PROGNOSIS WEEKLY in English 23 Nov 94 p 6

[Article by Tim Gilman: "Emerging Markets, Disappearing Dissidents"]

[FBIS Transcribed Text] Vaclav Benda, the Christian dissident whose house was searched 13 times in 11 years and who rose to head one of the country's main political parties, works at home now. He's not cut out for the rigors of Parliament anymore, he says.

Former Foreign Minister Jiri Dienstbier, his once-popular party ousted from Parliament, is now trying to get into local politics. Interior Minister Jan Ruml, another famous dissident and one of the last to hold an important position, has announced that he'll step out of public life by early 1996. Vaclav Havel has become the world's best-known show dissident, traveling the world to give speeches and collect accolades while his influence wanes at home.

"In 1989 we started on a long and thorny path to a democratic state," Benda, a signatory of the famous Charter 77 protest against the Communist regime, said in an interview from his house in Prague.

"We were conspirators. We wanted to change the regime. But we realized that after we had done that, the job wasn't finished by far."

Five years after the revolution, Benda has been put out to pasture, along with many of the other dissidents who rose to power after 1989. The same is the case across much of Eastern Europe.

The job now entails curbing crime as much as curbing inflation, and it has been handed over to other, less appealing candidates than Benda or Havel. Perhaps because of this, voters are less enthralled with the process of choosing leaders, a fact which shows itself in lower turnout on election days. Premier Vaclav Klaus' government is not a glamourous or romantic one, and on a daily level it is much more concerned with aping the West's ways financially than with cultivating government of intellectualism and moral strength.

Under the new order, Havel appears to many as nothing more than a figurehead, a showpiece who runs the diplomatic circuit, speechifying, shaking hands and trotting off with the occasional human rights award. As the Czech Republic speeds toward integration with the West, the decline of Havel and others may well mark the disappearance of the political and social morality which the dissidents symbolized.

"The danger is the philistinization of the country, like Austria after World War II: economic wealth and intellectual deadness," said Ernest Gelner, the director of the Center for the Study of Nationalism in Prague.

"Lacking an aristocracy, the professor is the only one to be president here," he said. Taking a jibe at Klaus' sometimes nearly exclusive focus on economic matters, Gellner adds: "Havel is important as a counterbalance to Klaus-trophobic philistinism."

But nor is it right to dismiss Klaus as a cold economist with no heart for moral questions, other political observers say.

"Don't forget that Klaus was a dissident also," said Jaroslava Stastna, sociology professor at the Prague branch of Central European University. "I think this is the most intellectual government in the world. Klaus and his economic policy setters came from the university, and their good academic background helps their politics."

Christoph Ruhl, an economics professor at CEU, agreed, adding that the focus on dissidents may not be all that important. "There are at least two kinds of dissidents," said Christoph Ruhl, an economics professor also at CEU, "those who question authority and those who want a different kind of authority." [as printed]

He argues that the former type of dissident played an essential role in abetting the fall of the former government, enabling the latter to step into service of the economic restructuring.

Though the government has raced forward on economic reforms and privatization, supplemented by clever subsidizing strategies, it has neglected many issues of cultural or moral importance.

Funding for many cultural and educational institutions that had existed on state subsidies—such as the Academy of Sciences, the state opera and the famed Laterna Magika theater—has been scaled back or cut altogether. Klaus has promised to do away with the Cultural Ministry by 1996, the same year his government hopes to apply for entrance to the European Union.

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Legislation has not been introduced to control environmental pollution, let alone reverse the devastating effects of the dirty, coal-fired industrialization which has wrecked much of the countryside.

Most recently, the Klaus government has been heavily criticized worldwide for its policies toward citizenship for the Romany minority. The scandal was the first major human rights issue for the post-revolution government, and it proved itself unprepared to respond. Only last week did Havel, who might have been expected to tackle this issue from the start, say that he would begin looking into it.

Some are predicting that an intricate social safety net will be a necessary part of the Czech future. Because "Klausonomics" relies on heavy trading with the West, and the Czech Republic has dissolved the trade barriers of the past, the market has been flooded with western goods. That will mean increased competition for Czech companies at home, and probably translate into more economic hardship in the future.

"There will be a New Deal under Klaus," said Martin Svehla, spokesman of the Czech National Bank. "We are now undergoing the changes of the new fiscal policies. There will be more unemployment and bankruptcies, but growth in the gross domestic product. Next year will show the real start of Klaus' economics."

Those economics, he said, will not likely be as Thatcherite as Klaus' rhetoric often suggests.

Also facing government leaders is growing concern over unethical and often illegal business practices. In what promises to be one of the first frank, high-level discussions of the topic, the Patriae Foundation is holding a December 1 conference in Prague entitled "Business and Ethics."

But does the availability of high-priced Western products and the decline of Czech dissident leaders mean that Czech society is developing a materialistic, grab-what-you-can mindset?

"I believe in the Czech man," said the still idealistic Dienstbier. "I think that 95 percent of them will realize they will not become millionaires and they will come back to hard work."

Dukovany Nuclear Waste Ends Up in Streams

95CH0070E Prague PROGNOSIS WEEKLY in English 30 Nov 94 p 3

[Unattributed article: "Nuclear Waste in Czech Waterways"]

[FBIS Transcribed Text] The Trebic city hall eased the pollution restrictions on nearby rivers to allow the South Moravian nuclear power plant in Dukovany to release more dangerous waste into the waterways.

Power plant officials requested the lower limits, saying they wanted this year's limits to match measured levels in the past.

Previous limits for radioactive cesium 137, included in the waste, were multiplied by 40, the limits for nitrogen by 15. The limits for phosphates were quadrupled.

"Concerning the radioactive elements the waste water from Dukovany can be considered drinking water," hygienist Jan Salava from District Hygiene Station in Brno told MLADA FRONTA DNES.

Environmental activists from Hnuti Duha found the decision appalling.

"The exceeding of the recommended limits is alarming," said Jan Beranek from Duha. "Especially because the water flow in the Jihlava river will decrease and that will increase the level of the damaging substances in the water. The limits should be set in such a way so that they would protect the environment and not be advantageous for the polluter."

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President Kovac's New Year Message

LD0101185995 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1200 GMT 1 Jan 95

[New Year address by Slovak President Michal Kovac—live or recorded]

[FBIS Translated Excerpt] [Passage omitted] When I look back at the events of last year, I can say without exaggeration that the events of 1994 left significant marks on the development of the Slovak Republic. Last year we entered the polling stations three times to show the will to deal with the public problems of the time. We have gone through a dramatic, though instructive, government and parliamentary crisis. We have become eye-witnesses and participants of the anticipated turning point of our economic developments. We again took steps to bring our country nearer to the advanced countries in Europe and the world. The international position of Slovakia has improved.

In the early months of last year, the political situation in our country was increasingly influenced by the deepening political crisis. In my opinion, the situation could have been solved by creating a broad coalition government without the need of a no-confidence vote against the government or the prime minister. There was, however, not enough political will for a solution. The further developments in the crisis resulted in the no-confidence vote against the prime minister of that time. I offered to the Movement for a Democratic Slovakia [HZDS] the possibility of forming a new coalition government, but the HZDS did not accept. This is why the coalition government was formed without the HZDS and an agreement was made about calling new parliamentary elections.

I think that, although the solution of the political crisis in March 1994 brought us disappointment and bitterness, it also had its positive side. The creation of the coalition cabinet confirmed that this way of dealing with public matters was correct and workable. It had a positive influence on dealing with problems in almost all areas of public life. Political life became calmer and more civilized, our credibility abroad increased, and inflation and unemployment decreased. During the rule of the coalition government, the foreign trade balance started turning its course in Slovakia's favor, in particular in trade with the Czech Republic, the hard currency reserves started to grow, and the long-expected growth of the gross domestic product also materialized. Although these are only small successes, which in many ways were initiated by the efforts of Vladimir Meciar's government, they indicated changes for the better and created a platform that gives us hope for optimism for the year 1995.

The results of the parliamentary and local elections are the legitimate expression of the will of all citizens of our country. Political parties and all constitutional institutions have to respect these results and act in accordance with them. The results have unambigously decided on the necessity of forming a coalition government that should administer public matters in such a way as to be able to keep its mandate for the whole election period. Therefore, it is its foremost task to prepare and to defend in parliament a policy statement that would be a guarantee of further improvement of living conditions of all citizens in our state, of stabilizing its further democratic development, and of moving our country further on the path toward the most advanced countries in the world.

My duty trips last year took me to several Slovak regions. I did not only see achievements. I was vexed to see that, in spite of the promising change in economic development, a large part of the means of production, even some very modern means, was not fully utilized; we have districts in which the unemployment exceeds 20 percentp; our fathers and grandfathers find it increasingly hard to survive on their pensions; and many school and university graduates find themselves without an opportunity to implement what they learned at school, their professional ambitions gradually disappear, their knowledge becomes rusty, and their moral standards deteriorate.

Our balance sheet at the end of 1995 will depend on the way in which we will be able to solve these problems. Parliament, government, and other constitutional and public institutions must give high priority to these problems. However, this can be done only if we give up exhausting political struggles in and out of parliament and if we replace these activities, which were so disastrous in the past, with creative and efficient cooperation.

Our ancestors lived in the area, called by all Europe its heart, for a thousand years. Our people therefore have the right to be led by their own representatives on the path toward a place among the advanced, prosperous, and democratic nations. Let us give the new government and other civil servants peaceful conditions for their demanding and responsible work. Everybody has the right to participate in this truly historic task: parliament, president, government and opposition, the church, and public institutions.

Nobody can be excluded from this effort. All citizens of the Slovak Republic have the right to take part in implementing the historic role of the state: the Slovaks and also the members of national or ethnic minorities for whom our country is just as much their homeland as for us, the state-forming nation. [passage omitted]

It is the irreplaceable task of politics to improve the conditions and space for citizens' activities, motivate private enterprise, revive crafts and services, and give citizens guarantees for professional and civic self-realization. It is the task of politics to become a resolute protector of democracy, to protect against bureaucracy and speculations, mafias, and criminal elements. [passage omitted]

We want to demolish the last walls of totalitarian thinking and to give free rein to our spirit of truth, understanding, and togetherness. [passage omitted]

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Let us end hate and grudges; let us show generosity and broad-mindedness. Everything that limits freedom of spirit, the freedom of citizens, leads to isolation and, in the end, to the spiritual impoverishment of man and ultimately of society.

Let us be not too inward-looking, otherwise we might lose the international dimension of our activities and their contribution to the formation of development strategy and to the reinforcement of international stability.

We are not alone in this geopolitically exceptionally important part of Europe. For many centuries, we have belonged to the community of European nations. It is our living space and we will stay in it. As good neighbors, we want to live with all nations in peace and mutual respect. The borders between us should bring us together, not divide us. [passage omitted]

During the past year, I often spoke about the need for reconciliation. I had in mind political reconciliation. This is not an empty slogan.

My political program for which I would also like to win you over, dear fellow citizen, is: reconciliation and political cooperation. It is a program based on awareness that, when opinions differ, the way forward is only through dialogue, agreement, and compromise. This calls for goodwill, a good measure of tolerance and mutual respect, and, on the part of us politicians, calm and the awareness that we are not masters over the lives of citizens but only their servants and the servants of the state.

I see it as a good sign for the future that we have lately noted that there are signs of willingness on both sides to improve relations between Prime Minister Meciar and me; that, when the government was appointed, the prime minister held out his hand to me as a sign of reconciliation and for further cooperation. My wish is that the spirit of reconciliation will spread through the whole political life and also among citizens. I personally will do everything in my power to make this happen. [passage omitted]

Meciar Seeks Year of Stability in 1995

LD3012185194 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1100 GMT 30 Dec 94

[Interview with Prime Minister Vladimir Meciar by correspondent Anna Samelova on 30 December; place not given—recorded]

[FBIS Translated Excerpt] [Announcer] According to our calculations here in the newsroom, fewer than 36 hours remain before the end of 1994. It is normal at this time to look back, but it would naturally be difficult to assess the work of the current Slovak Government because its individual members can look back on just 18, mostly working, days. Vladimir Meciar's third Cabinet is made up mostly of new faces, and so Anna Samelova began her interview with Vladimir Meciar today with the question of how the prime minister thinks his new ministers are coping with the problems in their areas. [passage omitted]

[Samelova] Prime minister, you do not conceal the fact that one way out of the current dithering on the Slovak political scene could be a change in the balance of power between the executive and the legislature. However, Parliament Chairman Ivan Gasparovic told this program on 29 December that he saw no reason to change the constitutional arrangements provided the government, parliament, and the president all adhere to the roles allocated them by the Constitution. Does this statement correspond with your own political strategy and tactics?

[Meciar] I think that is the wrong way to ask a question. It is obvious that in politics people have a right to different opinions, and it is obvious that the process of creating a state and seeking a mechanism for the stability of the state is different. It is logical that, in discussion, when there is an exchange of views, everyone speaks his own mind. It is therefore not necessary to regard a discussion as some kind of conflict or contradiction, and so never set me and Gasparovic against one another in this way. There were some such ludicrous attempts earlier during the election campaign, and now the same thing is happening. I consider it undignified for us both to approach the matter in this way.

As far as Slovak society in 1995 and beyond is concerned, it obviously does not need any more stress, constant elections, and permanent political crisis, nor does it need propaganda, which in its aggressiveness equals the propaganda of the Cold War era. Anyone who means well for this society should avoid such propaganda.

If 1995 is to be a year of stability, that stability can be achieved by respecting the current constitutional system. However, if there is a lack of will or willingness to act in line with the Constitution, we will have to have other possible constitutional arrangements ready in order to secure the development of society. Permanent division, permanent unrest, the constant presentation of any old gossip as reliable fact, that is bad media practice, bad journalism. We should not confront people with things that are unverified. That is why I think that the searching [hladanie] and discussion of searching are a sign of the times, part of self-identification, reacting to circumstances around us, and seeking a way to react.

[Samelova] Prime minister, in spite of the fact that everyone is already in a New Year's Eve mood and the end of the year is approaching, let us consider the economy for a moment, specifically the provisional budget. The provisional budget has considerably slashed the budget of the office of the president to the extent that redundancies will be necessary. Do you think that such a cut to the budget of the office of the president is helpful, given that the president as head of state represents this

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country and that it might be good to find resources to pay for the dignified representation of our country?

[Meciar] Again we are asking a question where there is none. We should not do that. The budget affects the entire state administration. Restrictions are being imposed on public administration so as to avoid restricting the social standing of the people, and that affects everyone. But, because you have plucked out the question of representation and so on, there is no question of having money to squander. The question is about having money for administration, and now there is the question of the president having certain constitutional powers. How many people does the president need for this, when he himself said not that many? It begs the question of whether he really needs 127 people, given that the government office, which functions as the uppermost body in the state administration, serves the government, deals with issues concerning the National Defense Council [Rada Obrany Statu] and with other matters connected with the work of the government, has 120 staff members.

The question is whethe it is necessary for noninvestment expenditure to be 81,000 [currency not specified] per employee of the Office of the President, when, in the Finance Ministry, where it is high enough, it is 23,000 per civil servant. The government, therefore, when deciding how much to cut from which department, presented a proposal to parliament, which accepted it, and it is now law and should not be commented on even by me, although even I must abide by it.

The question of representative and unrepresentative does not mean in this case living ostentatiously beyond the economic capabilities of the state. It means the realistic and functional work of all state bodies in those roles allocated them by the Constitution. The state cannot of course pay for any activity beyond the scope of the Constitution.

Parties React to Kovac's Call for Reconciliation

LD0201202595 Prague Radiozurnal Radio Network in Czech 1700 GMT 2 Jan 95

[FBIS Translated Text] [Announcer] Representatives of all Slovak parliamentary political parties reacted on radio today to President Michal Kovac's New Year call for political reconciliation. With a roundup of their opinions, here is our stringer in Bratislava, PRACE editor Renata Havranova:

[Havranova] While Olga Keltosova, deputy chairwoman of the Movement for a Democratic Slovakia (HZDS), believes that the HZDS has done everything in its power to achieve calm on the political scene, Dusan Dorotin, Party of the Democratic Left [SDL] deputy chairman, thinks the opposite. He said that it was difficult to achieve the ideal of reconciliation at a time when various investigation commissions were being created, when the governing coalition failed to respect democratic rules and minority opinions, and when it did not even respect the right of the opposition to an opinion.

Miroslav Kocnar, deputy chairman of the Association of Workers of Slovakia [ZRS], believes that there already is political reconciliation in Slovakia. On the other hand, he also expressed his belief that people with influence over events in the country, among which he singled out journalists, would finally see sense and cease to make a fuss about nonsense.

Pragmatic on this occasion as ever was Jan Carnogursky, chairman of the Christian Democratic Movement (KDH), who said that the KDH had taken a step toward reconciliation by supporting the provisional budget in parliament. The Democratic Union [DU] also wants to live by its two fundamental principles of responsibility and cooperation because, as Deputy Chairman Roman Kovac put it, Slovakia is in dire need of tolerance.

Bela Bugar, chairman of the Hungarian Christian Democratic Movement [MKDH], promised that seeking consensus would always be paramount for the MKDH. Eva Slavkovska, Slovak National Party deputy chairwoman, gave an assurance that her party would deal sincerely with anyone who meant well for Slovakia. As she put it, only in an atmosphere of understanding can Slovakia grow spiritually and economically so as to become a jewel among European nations.

Comment on West's Attitude Toward Chechen Events

AU0101212295 Bratislava SME in Slovak 28 Dec 94 p 4

[Commentary by Ondrej Dostal: "Holier Than the Pope, or Russian Tanks in Chechnya and Slovakia's Prospects"]

[FBIS Translated Text] Criticizing Western countries for their cautious attitude toward the events in Chechnya, as was the case at the most recent press briefing given by representatives of the Permanent Conference of the Civic Institute, is reminiscent of an attempt to be holier than the pope. In fact, more Western than the West. Reproaching the West from Slovakia for its inadequate "Western" approach is somewhat surprising, but it has more profound rational reasons.

Iraq's aggression against Kuwait became the subject of widespread condemnation and provoked a rapid and effective response from the democratic world. The conduct of the Serbs in Bosnia has also been condemned by most of the world, yet, in all the years of the Bosnian conflict, even the world community has been unable to back up its declarations with effective measures. Almost the whole world now perceives the Russian tanks in Chechnya as the internal affair of the Russian Federation. There is oil in Kuwait. Bosnia is at least in the public eye. Chechnya is unfortunate; it is of no interest to the world.

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But why should this be any of our concern? For a quite simple reason—because Slovakia's security cannot be guaranteed by better quality equipment for the Slovak Army and by higher national awareness among Slovak soldiers. Significantly more important for us is the attitude of the Western world and its willingness to get its fingers burned in the name of democracy and the other values on which the whole of Western civilization is based. If it were not for the fact that, not so long ago, there were people in the West who considered the communist empire to be an evil empire, the Cold War could have lasted longer, and perhaps the communists might have succeeded in achieving a more acceptable outcome for themselves in it. If the West now describes the bombing of Chechen towns and the killing of the civilian population as Russia's internal affair, it is a palpable change compared to the time when the violation of human rights in socialist countries was not considered by the West to be the internal affair of these states.

Fortunately, at the moment, Slovakia is not under immediate threat of Russian tanks approaching. But, the dulling of the West's sensitivity to any kind of violation of human rights presents a grave danger for us. If today Russian ferocity in Chechnya does not concern leading Western politicians, nowhere is it written that the ranting and raving of certain political forces in Slovakia, which admittedly would be of a much more civilized nature than the events in Chechnya but would nevertheless distance Slovakia from the Western world bit by bit and gradually turn it into one of the Russian Federation's "adjacent foreign countries," would not be passed over in silence tomorrow.

And this no longer involves only certain anti-Western or pro-Slav statements by some representatives of the current governing coalition. Slovakia's international-political position is not a matter for domestic decisionmaking alone, but depends (and probably first and foremost) on the kind of tendencies prevailing in the foreign policy line pursued by prominent Western powers.

Perhaps a clear signal should now be sent from Slovakia that would define our position and also bring about certain pressure. It is, however, absolutely typical that only those entities that do not exactly play a key role on the Slovak political scene now feel the need to become alarmed about these issues. But then, we cannot be surprised....

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Romanian Ambassador Views Bilateral Relations

AU2912135894 Budapest UJ MAGYARORSZAG in Hungarian 24 Dec 94 p 3

[Interview with Romanian Ambassador to Budapest Ioan Donca by Laszlo Roxin; place and date not given: "From Mehkerek to Szalonta and Back"]

[FBIS Translated Text] *Romanian Ambassador to Budapest Ioan Donca has been a professional diplomat for 31 years and he has spent four and a half years of this in Hungary in the above position. We interviewed him mainly on bilateral relations.*

[Roxin] Looking back on the past four and a half years, which events and talks do you remember with most pleasure?

[Donca] This is not the way a professional diplomat relates to this question because he always has to fulfill his official duties. Naturally, pleasant moments have arisen in my work and these were important stages in developing our bilateral relations. The Open Skies Agreement signed by our governments, the meetings of Hungarian Foreign Minister Geza Jeszenszky and Romanian Foreign Minister Teodor Melescanu in Romania and Hungary, then the Romanian foreign minister's talks with Hungarian Foreign Minister Laszlo Kovacs and, last but not least, the visit to Hungary of His Beatitude Teoctist, patriarch of the Romanian Orthodox Church, were among these. In addition, two very important meetings took place recently: Our President Ion Iliescu visited Hungary on the occasion of the CSCE summit and held talks with Hungarian President Arpad Goncz and Prime Minister Gyula Horn.

[Roxin] Did Iliescu's Budapest talks have any concrete results, for example, in respect of reopening the main consulate in Cluj and in other issues?

[Donca] Matters of detail were not raised during these talks but the participants in the high-level talks agreed that experts would continuously work on the final text of the bilateral basic treaty.

[Roxin] Does this mean that the Hungarian-Romanian basic treaty will be signed in the near future?

[Donca] The continuation of the talks also gives hope for this possibility.

[Roxin] The Romanian bill that would greatly restrict the use of Hungarian national symbols, namely the flag and the national anthem, for Hungarians in Romania created much concern in the Hungarian public and among the Hungarians in Romania. Similar feelings were evoked by Iliescu's statement that the representatives of the Democratic Union of Hungarians in Romania [RMDSZ—UDMR in Romanian] cannot participate in the talks preceding the signing of the bilateral basic treaty. What are your views on these issues?

[Donca] All sovereign states and countries have the right to regulate by law the use of national anthems and flags on their own territory. Actually, the Hungarian press reacted with much noise to a bill which in the end was not accepted by the Romanian Parliament. As to the other part of your question, all I can say is that treaties are made between states and governments.

Before his last visit to Hungary, Melescanu held talks with the RMDSZ's representatives. In addition to this, the RMDSZ has 39 deputies in the Romanian Parliament, where they can directly represent the interests of the Hungarian national minority in Romania, naturally, in accordance with Romanian laws. As a matter of fact, it is my firm conviction that the basic treaty will guarantee the human rights—which are also ensured by various international agreements—for the Hungarian national minority living here and the Romanian national minority in Hungary.

[Roxin] Nevertheless, people are getting uneasy because, for example, of Cluj Mayor Gheorghe Funar's recent, completely unfounded accusations against the RMDSZ.

[Donca] In my view, it is many Hungarian media organs that contribute most effectively to "popularizing" Funar's views. Funar and his group do not at all endanger the evolving rapprochement between our countries and peoples and the solution of the still existing problems. The hopes that little parties and groupings conducting extreme policies cannot come to power either in Romania or in Hungary are thoroughly well-founded.

[Roxin] We cannot see any significant progress in establishing new border crossing points or in reopening the former ones. For example, at the unofficial meeting of Jeszenszky and Melescanu in 1993, they both said that the international border crossing points at Mehkerek (Micherec) and Szalonta (Salonta) would be opened in 1994. The necessary buildings were constructed on the Hungarian side more than a year ago with considerable financial sacrifices, therefore, the infrastructure is ready. As far as I know, the Romanian side has not done much in this area.

[Donca] It is true that we are behind schedule at Szalonta and Turnu (Tornyos), however, we are much further forward at Bors-Artand. At this border point, where international traffic is significant for trade, tourism, and other aspects, we have reached a nine-lane crossing capacity. The Hungarian side has done nearly nothing to expand this important crossing point. Actually, I could say the same about the much less significant crossing point at Csengersima-Petea. However, the problems will be solved here sooner because cooperation between the two counties, namely Satu Mare [Romania] and Szabolcs-Szatmar-Bereg is excellent. Next year, we will have the possibility to solve these problems. It is true that a better cooperation would be needed in this area between the Romanian and Hungarian relevant authorities, for example, the border guard and the customs and

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excise offices. Opening the above border points is in the interest of our people and it is also a European issue, considering the development of economic and touristic links. Signing the Romanian-Hungarian basic treaty would also serve important European interests because it could contribute to the region's stabilization. Considering the traditionally good Romanian-south Slav relations, using diplomatic means, the Romanian side can also contribute to improving Hungarian-Yugoslav relations and to establishing peace in the Balkans.

SZDSZ Chairman: Views on Budget, Government

LD3012125294 Budapest MTV Television Network in Hungarian 0600 GMT 30 Dec 94

[FBIS Translated Excerpt] According to Ivan Peto, chairman of the Alliance of Free Democrats [SZDSZ] it is questionable whether the unity of the government's intentions, which is indispensable for the implementation of the 1995 budget, will be achieved. This was said by him at the party's press briefing. Ivan Petoe said that the debates within the coalition in the recent weeks might give reason for concern. The fact that every SZDSZ parliamentary deputy who was present voted in favor of the 1995 budget bill was a way of acknowledging it was what the government was capable of offering now.

[Begin recording] [Peto] We did not expect a radical economic policy turnaround from the 1995 budget. It was not our expectation when we examined the budget bill. From the beginning we expected the budget to be a budget of consolidation, in the sense that it will try to consolidate the country's financial problems.

[Unidentified correspondent] The SZDSZ has reservations because the budget does not properly serve the transformation of the economic structure.

[Peto] We think that, together with the new tax laws, a significant step forward was also made, essentially in accord with the government program. [end recording] [passage omitted]

Labor Official: Unemployment Forecast To Increase

LD0201183395 Budapest Duna TV in Hungarian 1700 GMT 2 Jan 95

[FBIS Translated Excerpt] The number of unemployed will not decrease. On the contrary, it will increase in Hungary this year. We may expect favorable economic changes only from 1996 onwards.

[Correspondent Karoly Durko] The unemployed in Hungary currently number approximately 520,000 and a further 200,000 receive supplementary benefits. According to statistics, the number of jobless has gone down over the past 18 months, albeit slowly; by the end of 1994, there were 180,000 fewer jobless than during the summer of 1993. However, this situation will change unfavorably in the new year.

[Begin recording] [Dr. Lilla Garzo, deputy state secretary at the Ministry of Labor] Owing to the impact of economic measures and processes and the implementation of the reform of state finances, the number of jobs will decrease.

[Durko] How large an increase in the jobless figures will this represent?

[Garzo] We are expecting approximately 60,000 more.

[Durko] According to the deputy state secretary, it is primarily the unskilled who may expect to lose their jobs, but there is not much hope either for the young entering the job market. [passage omitted]

The lack of jobs in the northern and eastern parts of the country is a virtually insoluble problem.

[Garzo] I think that in 1996, an economic growth which will have an impact on the labor market, too, might begin, but the truth is that these effects are not direct and a significant growth in GDP would be necessary for a tangible improvement in the manpower situation. [passage omitted] [end recording]

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Foreign Minister Renews Resignation Request

LD3012141994 Warsaw PAP in Polish 1348 GMT 30 Dec 94

[FBIS Translated Text] Warsaw, 30 Dec (PAP)—Minister Andrzej Olechowski has renewed his request to Prime Minister Waldemar Pawlak to be dismissed from his post of minister of foreign affairs.

"In accordance with my letter of 30 October of this year, I would like to return, if I may, to the issue of my resignation and to renew the request to you, Prime Minister, to ask the president of the Polish Republic to dismiss me from the post of minister of foreign affairs," Olechowski writes in a letter to the prime minister.

Under Secretary To Run Foreign Ministry

LD3012162294 Warsaw PAP in Polish 1542 GMT 30 Dec 94

[FBIS Translated Text] Warsaw, 30 Dec—From 1 January, the duties of the head of the foreign affairs department will be performed by Iwo Byczewski, under secretary of state at the Foreign Ministry [MSZ]. This was reported on Friday by MSZ Spokesman Krzysztof Sliwinski.

The spokesman reported that Andrzej Olechowski has repeated his request to Prime Minister Waldemar Pawlak to be relieved of his duties as foreign minister. In another letter to the head of government, Olechowski informed him that he will go on vacation on 1 January.

Walesa Rejects Foreign Minister's Resignation

LD0201113895 Warsaw Radio Warszawa Network in Polish 1105 GMT 2 Jan 95

[FBIS Translated Excerpt] A meeting between President Lech Walesa and Prime Minister Waldemar Pawlak began an hour ago. [passage omitted]

[Begin recording] [Presidential spokesman Leszek Spalinski] The main points of the talk are the president's position on what he thinks are currently the most important issues to be settled in Poland. First, the president demanded that the prime minister bring to a conclusion the issue of appointing a minister of national defense. He indicated that the only candidate he will agree to, whom he will accept, is Wojciech Okonski.

Second, the president does not accept the resignation of Minister Olechowski and declares that he will not accept any changes in this post up to the end of the term of office.

The president also declared that, in view of the delays in the procedures connected with appointing new ambassadors, he himself will make decisions on this matter, appointing ambassadors in places where there are current vacancies.

Of course, these are very brief remarks from me, but I invite journalists to a news conference at 1330, when there will be more details on the subject. [end recording]

More on Walesa-Pawlak Meeting

LD0201132195 Warsaw Radio Warszawa Network in Polish 1200 GMT 2 Jan 95

[FBIS Translated Excerpt] Presidential spokesman Leszek Spalinski has said that, during today's meeting between the president and the prime minister, Lech Walesa demanded that Waldemar Pawlak bring to a conclusion the issue of appointing a defense minister. He repeated that the only candidate he could accept is Wojciech Okonski. [passage omitted] Here is a report on the meeting from Jerzy Izdebski, deputy director of the Government Press Bureau [BPR].

[Izdebski] During today's meeting between Polish President Lech Walesa and Prime Minister Waldemar Pawlak, there was discussion of the issue on the so—called presidential ministries—that is, the MSW [Ministry of Internal Affairs], MON [Ministry of National Defense], and the MSZ [Ministry of Foreign Affairs]; the issue of the president's attitude to the budget law for 1995; and budget-related laws. The president demanded the appointment of his candidate, Zbigniew Okonski, to the post of minister of national defense and the retention of Andrzej Olechowski in the post of minister of foreign affairs to the end of the president's term of office. He also announced a probable demand for the dismissal of the SLD [Democratic Left Alliance] deputy ministers in two ministries: the Ministry of National Defense and the Ministry of Internal Affairs. As we know, the appointment of SLD deputy ministers in the MSW and MON was agreed to by the president during a meeting he had with the SLD parliamentary floor group, a meeting from which Prime Minister Pawlak was absent.

At the same time, the president announced the appointment of ambassadors of the Polish Republic without asking the prime minister's opinion, which means a repeat of the changed procedure already applied by the president when appointing the chairman of the National Radio and Television Broadcasting Council during Hanna Suchocka's term of office as prime minister.

Referring to matters connected with the 1995 budget and budget-related laws, Prime Minister Pawlak proposed to the president that matters of fundamental significance for society and the state be decided, matters that should not be a subject of political fighting, either in the context of the presidential elections or any other context. The president stated that he could only take up this subject after his demands on the three ministries had been met.

[Announcer] The Ministry of Internal Affairs spokesman did not confirm the report published in ZYCIE WARSZAWY [WARSAW DAILY] that Jerzy Stanczyk, chief of the Warsaw police, was to become deputy minister of internal affairs. I know nothing about this,

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spokesman Piotr Szczepinski said, so it is impossible for me to confirm that Stanczyk will start work after 15 January.

Reaction to Walesa, Pawlak Meeting

LD0201231195 Warsaw TVP Television Second Program Network in Polish 2000 GMT 2 Jan 95

[From the "Panorama" program; passages within quotation marks recorded; relayed via Warsaw TV Polonia Network]

[FBIS Translated Excerpt] President Lech Walesa will not accept the resignation of Foreign Affairs Minister Andrzej Olechowski. At his weekly meeting with the prime minister, Walesa demanded a resolution on the appointment of a minister of national defense. The president simultaneously indicated Wojciech Okonski as the only person he will accept in this post. In the view of Waldemar Pawlak, the condition for the appointment of a new minister will be mutual concessions.

[Unidentified correspondent] Leszek Spalinski, the president's spokesman, termed the meeting between the politicians as very important becausse it broke through a certain stage of very delicate talks, which have now become more decisive. He reported that the president demanded the presentation of a resolution for the appointment of a minister of national defense and simultaneously indicated that the only person he will accept in this post is Wojciech Okonski. In the view of the prime minister, the appointment of a new head for the Defense Ministry will be possible solely on condition that there are mutual concessions:

[Prime Minister Waldemar Pawlak] "Mr. Okonski tendered his resignation by virtue of, let us say in general terms, a lack of success in the sphere of trade in special [military] equipment. And it really would be appropriate to seriously consider whether we have other people who would have a better predisposition to the filling of this post."

[Correspondent] If we just stick to our own solutions, it is almost certain that it will be difficult to find a solution in this case, said the prime minister. [passage omitted]

[Spalinski] "This fairly firm tone of statements by the president is not a coincidence. The president quite simply feels that the situation in the country might become destabilized to such an extent that it is appropriate to, quite simply, prevent this, positing those issues that he feels to be the most significant in a way that is very sharp, very decisive."

[Correspondent] Journalists asked Minister Spalinski how the prime minister is reacting to such categorical formulations by the president:

[Spalinski] "The prime minister said that, in association with this, he will formally fulfill his prerogatives. That is how I understood this. That is, that, no, there resounded a tone as if the prime minister had treated the president fairly leniently and now this is to be treated seriously. I do not know, I do not know how to understand this. I cannot cite the words literally, of course. On the other hand, the sense was more or less as I, as I tell you [as heard]."

[Pawlak] "In my talk with the president, I proposed that we come to an understanding in those areas that have a fundamental significance for society and the state, so as to avoid the continuation of political disputes in this area because this might lead to troubles in both the social and the economic dimensions. And this proposal was not accepted."

[Spalinski] "I quite simply treated this, and I judge that it was similarly received by the president, as an attempt at this kind of casting of a fishing rod, yes? Well, what are the issues on which we can come to an understanding—that is, let us divide Poland into bits. And I do not know, I cannot imagine this—that what? In the Defense Ministry, we will be what? Opponents? And in the Ministry of Education, we will then be friends?"

[Correspondent] The president acknowledged that he can take up this topic only after his demands are met on the matter of the three ministries, reports the Government Press Office. In its communique, we read that the president announced the probable demand for the recall of the Democratic Left Alliance [SLD] deputy ministers in the Ministries of Defense and Internal Affairs.

[Spalinski] "The president recalled, quite simply, that certain agreements were contracted, political ones, which the president has kept. And, in this context, only in this context, were the issues of the three presidential ministries and the political deputy ministers, the so-called political deputy ministers, mentioned. The president said, quite simply, that he has kept the agreement that was once contracted. On the other hand, the prime minister or, more widely, the coalition, did not keep this agreement because one of the points of this agreement was the adoption of the statute for these ministries. As of today, this issue has not been resolved. On the other hand, the political deputy ministers have for some time now been in existence in these ministries."

[Pawlak] "This subject was broached, and I can say that it was in such a convention as is here written down. On the other hand, as regards the intentions of the president, I understand that Mr. Leszek Spalinski can more appropriately read the intentions of the president. Here, his level of knowledge and his position as an expert are surely dominant on this issue."

[Correspondent] Minister Spalinski, commenting on all that has taken place recently in the government, suggested that we might be dealing with a crisis in the Cabinet of Prime Minister Waldemar Pawlak:

[Spalinski] "If we have a situation in which the Ministry of National Defense is unfilled, the minister of foreign

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affairs tenders his resignation, and the issue of the commandant [of police] that we have spoken of here many times before, it would be appropriate to consider whether the prime minister is in command of what is taking place within the Cabinet because I have somewhere here heard this opinion: that, if three ministers are lacking, this means that there is a cabinet crisis, in general terms. That is apparently how it is regarded in some international standards or others. Well, we are close to this, and this indeed later causes destabilization, both in politics and in processes and in the economy, in moods [as said]. People do not know what is going on. And here a lady journalist does not understand, another lady journalist does not understand. I also admit that sometimes I do not understand everything completely. On the other hand, as I say, well, I am not capable of deciphering the thoughts of the prime minister, especially inasmuch as the prime minister sometimes speaks quietly."

[Pawlak] "Ah, let Mr. Spalinski concern himself with his sphere of activity. On the other hand, Mr. Spalinski is not, as it happens, authorized to make such evaluations. The Sejm exists for this purpose, and the Sejm has spoken on this issue (?frequently)."

[Correspondent] For the time being, one minister is lacking. It could be that, if the phenomenon of tendering resignations becomes widespread, we will be able to speak of a crisis, added the prime minister.

Three hours after the meeting between the president and the prime minister at the headquarters of the Social Democracy of the Polish Republic [SdRP], its leaders met: Jozef Oleksy, Aleksander Kwasniewski, Marek Borowski, Jerzy Szmajdzinski, Leszek Miller, together with the two deputy ministers about whom the president spoke today, Danuta Waniek and Zbigniew Sobotka. Normally chatty and, in any case, not averse to journalists, the Alliance politicians today escaped to their cars exceptionally quickly. The deputy minister of internal affairs, cornered by our camera, pretended that he did not know what this was all about.

[Unidentified correspondent] "You know what the president said today at the meeting with the prime minister?"

[Sobotka] "Oh, I have not heard yet."

[Correspondent] "And, in your opinion, is a new skirmish in the air—between the coalition and the president?"

[Sobotka] "Could be. Difficult to say."

[Correspondent] "Do you know that the president has announced your dismissal?"

[Sobotka] "The president cannot announce my dismissal."

[Correspondent] "He said that he will demand it."

[Sobotka] "Demand it he can."

[Correspondent] "What do you say to that, Deputy Minister?

[Sobotka] "Nothing. For now, nothing."

[Correspondent] "And when will there be something?"

[Sobotka] "We will see. We will talk among those competent, the people who decide this."

[Correspondent] "And was this issue raised at this meeting with Mr. Kwasniewski and Speaker Oleksy?"

[Sobotka] "Sir, let us leave this."

[Correspondent] None of the SLD politicians undertook to officially comment on the results of the meeting between the president and the prime minister.

Olechowski Reports on Meeting With Walesa

LD0201210295 Warsaw TVP Television Second Program Network in Polish 2000 GMT 2 Jan 95

[Relayed by Warsaw TV Polonia Network]

[FBIS Translated Excerpt] The president invited Minister Andrzej Olechowski to the Namiestnikowski Palace this evening. The meeting lasted an hour and a half.

[Begin recording] [Olechowski, speaking to reporters] The president informed me of the talk with the prime minister. He told me what you know, that he would wish that I fill the post until the end of his term of office. I am, of course, very grateful to the president for this, for such an expression of trust. Simultaneously, you will remember that the cause of the resignation request is the issue of the so-called list of Deputy Prime Minister Cimoszewicz. I am consistently awaiting the decision of the Constitutional Tribunal.

[First correspondent] Minister Olechowski has been on leave since 1 January. He asked Prime Minister Pawlak for leave on 29 December. The minister's spokesman, Krzysztof Sliwinski, said that the practice in such cases is that the prime minister does not have to reply to a letter. There exists, on the other hand, an assumption of consent. Since the prime minister has not replied, the minister is on leave.

[Second correspondent] How long will the minister be on leave?

[Sliwinski] The minister has not specified this. As I say, however, the cause of both the resignation request and of this two-month period of waiting for the clarification of the issue and of the present leave, the real cause is precisely this unclarified situation. I judge that it will be possible to consider the leave of the minister on this time scale, of two to three weeks at the most. Certainly this will not be the full exploitation of his employee's and union entitlements [as heard].

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[Second correspondent] That is, the leave will last until the ruling by the tribunal.

[Sliwinski] Until the ruling of the tribunal, if it is within a reasonable, brief period of time, or until some sort of clarification of this matter.

[First correspondent] The prime minister did not wish to say whether he will apply to the president with a resolution for the recall of Minister Olechowski. He only added that the government will discuss the problems of the Ministry of Foreign Affairs tomorrow. [end recording] [passage omitted]

President Walesa Gives New Year Address

LD3112202894 Warsaw TVP Television First Program Network in Polish 1900 GMT 31 Dec 94

[New Year's address to the nation by President Lech Walesa in Warsaw on 31 December—recorded; relayed by Warsaw TV Polonia Network]

[FBIS Translated Text] Good evening, ladies and gentlemen. Traditionally, I now address you on this exceptional evening of the year, an evening of reflection and hope. On the last day of the passing year, it is worthwhile to briefly consider what we have jointly managed to achieve and that with which we have been disappointed.

In my judgment, the passing year did not, unfortunately, bring positive changes in the fundamental areas in the life of the nation. Thus, we are entering this new year without euphoria but, fortunately, with the awareness that Poland still has a time of opportunity, a good time of opportunity, does not have external threats, and does not have declared enemies. This time may not, however, be wasted.

I wish for our country that its time of opportunity, its time of hope, will last as long as possible, that we will exploit it as well as possible, both rulers and ruled, for the common good and common satisfaction, for the success of Poland and its citizens. I wish for you that the coming year will be better than the last, that it fulfill our hopes and joint and individual expectations, that it be a year of calm, prosperity, and success in every Polish home in our country.

God bless Poland.

New Year Address by Sejm Speaker Oleksy

LD3012224894 Warsaw TVP Television First Program Network in Polish 1900 GMT 30 Dec 94

[New Year address to the nation by Sejm Speaker Jozef Oleksy—live or recorded; relayed by Warsaw TV Polonia Network in Polish]

[FBIS Translated Text] Ladies and gentlemen: Even today, on the penultimate day of the year, the Sejm was at work. Just as throughout the passing year, today the deputies worked with a sense of responsibility for Poland's affairs. I do not how widespread among the Poles is the belief that it is for them we work. Public opinion research shows, on the one hand, critical appraisals for the Sejm still not resolving or deciding certain issues, and, on the other, the polls show an increase in confidence in this Sejm and the belief by more than 50 percent of the people that during, the past year, the Sejm worked selflessly and usefully. Manifestations of citizens' approval always gladden our hearts. We can only respond to these by redoubling our efforts. That is what we will also do next year.

If the industry of the Sejm is to be measured in terms of plenary and commission meetings and the number of adopted acts, this year's achievements are significant. Since the beginning of its term of office, the present Sejm passed more than 100 acts, but 110 bills still wait to be passed. Forty-five of the 100 acts we created under the urgent procedure.

But the point is not how many acts we passed. It is much more important whether we are developing a firm belief that Poland is becoming a law-governed state—that is, a state where the reasons of law come above the reasons of politics and even history. A law-governed state is a state where the regulations apply equally to everyone, while their violation produces the same results for everyone. Finally, it is a country where, from the top authorities down, no one wastes time and effort to bypass the law, but everyone concerns himself with its strict observance.

You, ladies and gentlemen, probably have your own feelings about the power of the law and its stability in Poland. Much still needs to be done, and we are aware of this so that the Polish citizen feels safe precisely also because he observes the law, as do all of the state bodies.

The year that is about to end makes us summarize and reflect. One such reflection is the question about the state of the Polish democracy. Much has been written and said about this during the year. I think we are still learning democracy. The question is, are we all trying to consolidate it? Polish democracy is suffering from various infancy ailments. But I think it is sufficiently strong, especially when temptations to cut corners arise, when a clearly visible crisis of authority and values engenders a craving for strong caretaking, which allegedly improves the people's hard daily life.

In their letters, of which I get a great number, people often ask how long it will take for Poland to build a democratic, efficient state, with consolidated structures and clarity of political rules. There is no specific date. We are learning democracy at each place of work and in every home. We are learning it by respecting the views of others and by clearly presenting our own opinions. Democracy is an ability to collaborate with others. Collaboration does not rule out competition or a variety of views, beliefs, or systems of values.

I will tell you with regret, ladies and gentlemen, that, at the top level during the passing year, we did not always

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know how to work in concert. We have not always had enough modesty and humility. I note with concern that, increasingly often, one's own reasons become stronger that the reasons of state.

Ladies and gentlemen: 1994 was the international year of the family. This gave us another opportunity to realize for ourselves all of the problems and threats facing Polish families. May 1995 in this respect bring about all of the changes needed for all of us. The Sejm will not shrink from any legislative efforts to consolidate such changes. There is a tremendous amount to be done in state policy for ensuring children's survival and development and for protecting children from the terrible dangers that result from the bad aspects of civilizational development. Can the aging and old members of the family and society live today with dignity and peace? Many families ask this question.

Tomorrow popping champagne corks will be heard in many Polish homes. That will be the sound heard in the homes of those who are doing all right, those who have succeeded, and for whom things are not too bad or are even good. But we also know how much poverty there is in Poland, how much grief and disappointment. How important then it is for us for the common concern to do and act at every level so that fear of the future disappears, so that the basic existence is guaranteed, so that man's security and justice are not alien concepts.

The year 1995 is just outside our doors. With it, we enter the final five years of the 20th century. Things that happen in 1995 will affect the turn of the century. So, already today we have to think in categories of the next millennium. Although often we lack the imagination, we are tired, irritated, and irritable, in the interests of that future we have to take good care of issues of our Polish future.

On the eve of the new year, Poland faces the challenge of respecting democracy and the law-governed state, of finding accord and the know-how for working in concert, of limiting various egoisms for the benefit of the superior reason of national interests. We have to pass this test.

On behalf of the Sejm and myself, I would like to wish all of our compatriots hope. May it sweeten the bitterness of the present-day life. May it be the strongest force for maintaining harmony within ourselves and around us. I wish everyone courage so we can bear adversities without yielding to them. I wish everyone strength and fortitude when they have to face misfortune, disease, or grief. I wish all of us, ladies and gentlemen, to be better, kinder, and friendlier to one another. Each of us can contribute something to Poland. May we all want to do so in the coming year. All the best.

Right Reportedly Agrees on Presidential Candidate

WS0201155495 Warsaw RZECZPOSPOLITA in Polish 31 Dec 94-1 Jan 95 p 2

[Article by "M.D.Z.": "The Right Has Joint Candidate for President: Strzembosz, After All"]

[FBIS Translated Text] *The two major right-wing blocs have come up with one presidential candidate. Gabriel Janowski, leader of the Polish Peasant Party-Peasant Accord [PSL-PL] and acting head of the Alliance for Poland [PdP] coalition for December and January, announced this at a news conference yesterday. The candidate Janowski spoke of is most probably Professor Adam Strzembosz. PdP politicians shared a Christmas wafer on Friday and agreed to meet at a program conference on 14 January.*

Varying Degrees of Acceptance

The PSL-PL leader refused to give the name of the presidential candidate but assured us it would not be Lech Walesa. Egged on by journalists, he admitted that, "although the rightist groups are pretty close to approving the candidacy, there are varying degrees of acceptance." "Whoever breaks the agreement will be disparaged and pointed at in public," said Gabriel Janowski, who hopes Freedom Union will support the right's candidate.

"Mr. Janowski is making a huge overstatement. Of course, a consultative meeting of the two 'fives' (PdP and the 11 November Accord) did take place just before Christmas. Various names were dropped, only one of which was not vetoed, but no definite decision was made," RZECZPOSPOLITA learned from Pawel Zalewski of the Conservative Coalition, who refused to give the name of the candidate who did not raise objections from the rightist leaders.

According to RZECZPOSPOLITA sources, the pre-Christmas meeting was devoted to, among other things, a discussion of the candidacies of Professor Zbigniew Brzezinski (which brought protests from the Christian National Union [ZChN] and the Union for Real Politics), State Election Committee Head Pawel Laczkowski, and Prof. Adam Strzembosz, first president of the Supreme Court. The two latter candidates proved acceptable to all rightist leaders, although Prof. Strzembosz gained the greatest support. Gabriel Janowski must have had Strzembosz in mind when he said that the right had agreed upon a presidential candidate.

Christmas Wafers and a Tape Recorder

PdP leaders met yesterday at PSL-PL headquarters. They shared Christmas wafers and extended season's greetings (Jaroslaw Kaczynski expressed hope that Romuald Szeremietiew would become defense minister, but not in the current government) and agreed that the PdP and 11 November Accord conference scheduled for 14 January must result in the adoption of a joint program. With this objective in mind, the leaders of 10 parties from both coalitions are to meet one week before the conference to develop a draft document.

Friday's meeting of the PdP had a critical phase. Leaders of the Center Accord [PC] demanded that Ryszard Czarnecki and Romuald Szeremietiew record (on a tape

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recorder brought specifically for this purpose by the PC politicians) a statement that they have nothing to do with Wojciech Dobrzynski, who has recently begun cooperating with the ZChN (proceedings are currently under way in the PC to expel Dobrzynski from the party). The ZChN and Movement for the Republic leaders did not record a joint statement.

Strak Discusses State Structure Reorganization

95EP0024A Warsaw GAZETA BANKOWA in Polish No 46, 26 Nov 94 p 23

[Interview with Minister Michal Strak, chief of the Office of the Council of Ministers, by Maria Dunin-Wasowicz; place and date not given: "A Return to the Roots"]

[Text] [Dunin-Wasowicz] Did you expect to become the closest associate of a prime minister who, opinion polls say, is considered the worst head of government in many years?

[Strak] Opinion polls differ. Waldemar Pawlak is a politician who enjoys the trust of a large portion of society. A negative opinion of the prime minister may be held by "salons" or constituencies linked to parties that have different political options than does the PSL [Polish Peasant Party]. The results of the local government elections [June 1994] definitely controvert any negative assessment of both the prime minister and the government.

[Dunin-Wasowicz] Would you consider as a "salon" opinion the judgment of Jerzy Giedroyc [editor of the Paris-based emigre publication KULTURA] that "this government lacks any political vision"?

[Strak] This is not a "salon" opinion, but I do not agree with it. The most important observers of the activities of this government have difficulty with his evaluation because they employ analytic tools that do not quite correspond to the ways in which we differ in comparison with the previous governments. Our performance philosophy is different. Consider, for example, our information policy. It is not "made" by a government press spokesman who tells the public what things are or should be. In this government, the information policy is handled by government representatives, including myself. Do we not have a political vision? It would be hard to say that Prime Minister Kolodko lacks a vision.

[Dunin-Wasowicz] I am asking about your political vision as the chief of the Office of the Council of Ministers. How do you view the state?

[Strak] I view it as a mansion. It should be built and furnished in such a way that, as an organizational and formal-legal structure, it would allow for the regional diversity of our country and provide a feeling of security.

[Dunin-Wasowicz] How would that sound when translated into the language of politics?

[Strak] We managed quite well—though I personally did not contribute to this—in settling matters at the grassroots level, in townships and small towns. In 1990 a proper legal framework was formulated for them and, although there is room for improvement, at that level we are "at home" in the mansion. On the other hand, the complete administrative division of Poland as a whole and the separation of powers among various levels of government still remain problematic.

[Dunin-Wasowicz] But you had claimed that you saw no need for changing the present administrative division of the country.

[Strak] I do not know whether this is for good or bad, but I am a man who does not like often to change suits and political views. I do not perceive either any need for changing the country's administrative division just in order to eliminate some more or less underperforming voivodships.

[Dunin-Wasowicz] These voivodships are an artificial creation.

[Strak] They have been existing for 20 years. I am not certain whether the [administrative] reform of 1975 [when Poland was subdivided into smaller voivodships] was a mistake.

[Dunin-Wasowicz] It was a mistake.

[Strak] That is your opinion. What will you say considering that next year more than 30 voivodships will celebrate the 20th anniversary of their existence, with exhibitions of their accomplishments in those 20 years? The voivodship reform is like an illegitimate child: Irrespective of the circumstances under which it first saw the light of the day, it may yet turn out to be a genius. Only 11 percent of the respondents to a questionnaire which we disseminated to the gminas [townships, or local governments] were in favor of eliminating these "illegitimate" voivodships.

[Dunin-Wasowicz] After working for a year at the Office of the Council of Ministers what is your opinion on the quality of the present administrative division of the country as a whole?

[Strak] It needs some reinforcement. While I do not envisage changes of the gmina and the voivodship as administrative units, there is a certain "but." Namely, the voivodships are insufficiently large in area to become the subjects of a regional policy. Therefore, I perceive a need for an ancillary structure.

[Dunin-Wasowicz] What kind of structure do you mean?

[Strak] Regions, to be headed jointly by several voivodes. The Upper Silesian voivodes have already reached an agreement of this kind, and in my opinion this is a symptom or a beginning of a natural process of continuing integration of the administrative structure of the state in the form of macroregions.

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This also applies to the gminas. Some matters are easier to solve by several gminas working together and would best be solved with the aid of gmina associations formed for special purposes. The gminas have not been forming such associations, apparently because they are opposed to them. But perhaps no one yet has demonstrated to them the benefits ensuing from the establishment of such associations.

[Dunin-Wasowicz] You espouse the benefits of gmina associations but you make no mention of the advantages of grouping gminas into powiats [the powiat, the equivalent of a county, has been abolished as an administrative unit since 1975].

[Strak] An association of gminas is just that, an association, whereas a powiat would constitute a new level of local government, a new administrative unit.

[Dunin-Wasowicz] You support gmina associations.

[Strak] Unlike the powiat, they do not compete with gminas for money and powers.

[Dunin-Wasowicz] To return to the voivodships, how should they be reorganized?

[Strak] I support the existing system for appointing voivodship authorities. As for the voivodships themselves, they should be provided with greater decision-making powers on economic issues, meaning also the restoration of their budgets. I think that a restoration of the status quo ante 1990 would mean considerable progress in the decentralization of powers.

[Dunin-Wasowicz] You intend to set up a four-level administrative structure of the state.

[Strak] Actually that would be a two-level structure with two auxiliary stages. Such also is, besides, the administrative structure of the French state and the Roman Catholic Church; in the latter case the basis is the parish and the diocese, while the two other elements, the deanate and the archepiscopate exercise ancillary functions.

[Dunin-Wasowicz] At what stage does your concept exist?

[Strak] I do not view reforms as a kind of horse race in which speed is of the essence. Consider the issue of the duration of the pilot program for the cities. I think that it should last for three to four years if it is to accomplish its objectives. Last year the cities were assigned objectives, along with funds allocated by various ministers of state. Next year the funds are to be allocated from a single source.

[Dunin-Wasowicz] This means a return to the original assumptions of the program.

[Strak] You could say so. In 1996 the possibility of establishing a relationship between receipts from budget subsidies for the pilot program and the revenues of cities deriving from a share in tax receipts should be determined. Only after the share of cities in tax receipts becomes part of municipal revenues the reclassification of government-assigned objectives as municipal objectives can be considered.

[Dunin-Wasowicz] Why should not these expenditures be investigated even now, as proposed by Prof. Kulesza?

[Strak] Mr. Kulesza had time for that until last June. I did not hinder him.

[Dunin-Wasowicz] In your opinion, what was the purpose of the pilot program? Was it to "pilot" the introduction of the powiats as administrative units?

[Strak] That is a misunderstanding. Consider what [my predecessor Jan Maria] Rokita told me: The pilot program is a means of eliminating a flaw in the law on local governments, namely, the standardization of gmina powers regardless of gmina size. I share this opinion: The pilot program does not preempt anything, and it simply introduces the first category of gminas. The questionnaire which we distributed to the gminas will serve to determine the number of such categories.

[Dunin-Wasowicz] In view of this, what is your position on the municipal bill proposed by deputies of Democratic Left Alliance and Freedom Union, which is to turn government-commissioned objectives for the cities into municipal objectives of the cities themselves?

[Strak] The passage of that bill will require the budgetary changes I mentioned.

[Dunin-Wasowicz] Cannot the manner of financing be prescribed in a separate bill?

[Strak] That would be senseless. A law which lacks a chapter on finance is worthless. And that was a cardinal mistake of the authors of the pilot program—they failed to include provisions which would augment the revenues of the cities.

[Dunin-Wasowicz] What about you? Will you attend to such provisions?

[Strak] That is a task for the Ministry of Finance; the related provisions already are included in the document "Strategy for Poland [in the Year 2000]."

[Dunin-Wasowicz] You desire changes in legislative powers. Would a local-government chamber be better than the Senate?

[Strak] Yes, the composition of the local-government chamber would reflect the territorial distribution of the political forces in this country. Such an insertion of local governments in the power structure would protect their interests more fully.

[Dunin-Wasowicz] You also have ideas for changes "at the top." What will happen to the Office of the Council of Ministers, that unwieldy—as experts term it—administrative structure?

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[Strak] Our administrative structures are, compared with their French counterparts, still childishly small, and it would likewise be hard to term the Office of the Council of Minister the acme of organizational perfection. We will change certain things.

[Dunin-Wasowicz] According to your proposals on the Council of Ministers, the chief of the Office of the Council of Ministers would have a higher standing than the deputy prime minister.

[Strak] Oh, no,.... I am neither the second nor the third ranking person in the government. That is what my predecessor used to say. One has to attend the meetings of the Council of Ministers in order to perceive which decisions are taken by Prime Minister Kolodko and which by, e.g., me. The government is not a queue in front of a bank but a group of persons who, under the prime minister's leadership, steer the helm of state.

* * *

Michal Strak (50 years old), is a graduate of the Department of Polish Philology at Warsaw University and a doctor of political sciences. He was, among other things, deputy director of the Institute of Culture (1983-89), chief of staff to the minister of state at the Presidential Chancellery (1989—91), and adviser to the chairman of the PSL Parliamentary Caucus (since 1991).

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CSDR Calls for Vacaroiu Government Resignation

AU3112171494 Bucharest ROMANIA LIBERA in Romanian 22 Dec 94 p 3

[Communique issued by the Confederation of Democratic Trade Unions of Romania; place and date not given: "The CSDR Calls for the Resignation of the Vacaroiu Government; The National Interest Must Prevail Before Narrow Party Policy"]

[FBIS Translated Text] Under the current circumstances of an unprecedented deterioration of the political, economic, and social crisis, at the end of the second year of the Vacaroiu Government, the Confederation of Democratic Trade Unions of Romania [CSDR] observes and condemns:

—the continuing deterioration of the population's standard of living and social protection, which are the result of an anti-social policy promoted in flagrant contradiction with electoral promises and even the so-called doctrinary orientation of the PDSR [Social Democracy Party of Romania];

—the act of discrediting the idea of reform through measures that demonstrate the obvious incompetence of the executive;

—the exploitation by the government of the concept of privatization solely for propaganda purposes, while facilitating the crude accumulation of capital by the former nomenclatura;

—the act of accommodating and preserving a general state of corruption, and insecurity for citizens;

—the executive's increasingly stronger attempts to falsify the socioeconomic reality in order to diminish the proportions of the profound crisis to which Romania has been pushed;

—the monopolization of all levers of power, the employment structures, and the leadership of economic companies and institutions by the PDSR, PUNR [National Romanian Unity Party], PRM [Greater Romania Party], and PSM [Socialist Party of Labor];

—the government's inability to hold a real, efficient, and democratic permanent dialogue with trade unions in order to overcome the current serious state of affairs.

In conclusion, the CSDR believes that the only solution to pull the country out of the current crisis is to achieve the resignation of the Vacaroiu Government and set up an executive able to truly reflect the electorate's current choice. The CSDR is convinced that the motion of censure initiated by the opposition might be the appropriate moment for this change. The national interest should prevail before narrow party policy, and the responsibility and reason of parliamentarians will have to find expression in a vote cast in favor of the motion.

[Signed] CSDR President Victor Ciorbea

Senator Says Government Dragging Feet on Bill

AU0201200295 Bucharest ADEVARUL in Romanian 22 Dec 94 p 2

[Interview with Verestoy Attila, leader of the UDMR parliamentary group in the Senate, by Rodica Ciobanu; place and date not given: "The Interior Minister Has Become the Devil's Advocate"—first four paragraphs are ADEVARUL introduction]

[FBIS Translated Text]

By Disputing the Signatures of Hungarians, Minister Taracila Provokes a New UDMR-Government Conflict

In September, the UDMR [Democratic Union of Hungarians in Romania] submitted a civil initiative supported by 492,000 signatures to the permanent bureaus of the parliament—an initiative that, if adopted, would modify many of the provisions in the chapter of the draft education law on instruction in the language of ethnic minorities, which is still sitting on the desks of the specialized commissions. The said modifications would be favorable to the often-voiced demands of the representatives of the Hungarian minority, and would regulate confessional education [as published] in the language of ethnic minorities and the existence of institutions of higher education in their language. The path of this civil initiative up to the parliamentary plenum seems long and full of turns.

The permanent bureaus sent the lists with signatures to the Constitutional Court—which, lacking the necessary personnel to verify the authenticity of the signatures, sent the whole package to the government, which in turn sent it to the Ministry of the Interior.

On Monday 10 December, Senator Lajos Magyar approached the government with this issue. Minister of Interior Doru Ioan Taracila, who was in the hall at that time, said that the verification carried out thus far by the Police shows that many of the signatures belong to minors, deceased persons, people with dual citizenship, or people who have left the country. Moreover, the verification cannot be concluded in fewer than nine months because Taracila cannot mobilize his personnel for the sole purpose of solving this problem and, finally, had Taracila known this issue was going to be raised during the plenary meeting, he would have come up with concrete data.

However, the minister does not seem to be in a hurry to provide any statistical data to the UDMR initiators of this action or to the public. Thus, the civil initiative issue becomes a subject of dispute between the Ministry of Interior and the UDMR parliamentarians.

[Ciobanu] Senator Verestoy Attila, I would like to ask you to comment on the interior minister's statements regarding the fact that the signatures in support of the civil initiative are not valid.

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[Verestoy] If we think of the huge amount of signatures—close to half a million—I do not exclude the possibility of some errors. However, as he told me himself, Minister Taracila noticed that there are very few errors indeed. However, he failed to say the same thing in his statement on Monday night—although according to his own evaluation, about 98 percent of the signatures are valid. It is possible that it is much more difficult to check the remaining 2 percent of signatures because, thank God, we live in a country where free circulation is permitted. What surprises me, however, is the angle from which the government approaches a legal and constitutional initiative of this country's citizens such as this. The way the interior minister examines this issue is antidemocratic, because he approaches the subject from a negative angle, from the angle of possible errors, and fails to mention the fact that most of the verification carried out showed positive results. This viewpoint is in contradiction with the position of a person who must respect the wish of the citizenry. The note of superiority with which the minister regards the humble taxpaying citizens will not be accepted by them, because they are sovereign.

[Ciobanu] Does the period of nine months during which the police intend to verify the signatures seem exaggerated to you?

[Verestoy] Certainly. A few days were enough to check the more than 140,000 signatures necessary for the support of President Iliescu's candidacy, and the verification was concluded in record time. This comparison seems eloquent. I accept the fact that the police are compelled to see whether the conditions for collecting signatures are being met. That is: a minimum of 250,000 signatures in at least ten counties, each with a list containing at least 10,000 signatory citizens, is the way the minister of the interior should have worked. But currently he has changed into the devil's advocate, instead of taking care of things incumbent on him in the constitution. I have no doubt that Mr. Taracila knows these conditions have been met most appropriately, but the government is trying to drag out this initiative.

[Ciobanu] What is the UDMR going to do further, in order to solve this problem?

[Verestoy] On 9 November I sent an official letter to the prime minister, given the fact that the Constitutional Court turned the entire package over to the government on 8 October and yet as of 9 November, no response had been received. I drew Mr. Vacaroiu's attention to the said letter and to the fact that 30 days have elapsed since its receipt. I received his answer at the plenary meeting on 19 December, through the voice of the minister of the interior, an answer that was certainly a fabricated and undocumented answer, containing no figures whatsoever.

I believe that Mr. Taracila made a terrible mistake. I believe that by now, other parliamentarians who belong to the opposition and also those who belong to the ruling side must have realized that a serious thing is happening here and that the will of the government is in contradiction with the will of citizens and of the Constitution.

Article Notes Discrepancy in Jobs Figures

AU3112145094 Bucharest ROMANIA LIBERA in Romanian 24-25 Dec 94 p 9

[Article by Gilda Lazar: "Half a Million Jobs Have Disappeared"]

[FBIS Translated Text] When he presented the report on two years of governing, Mircea Dan Popescu, minister of labor and social protection, mentioned as the government's accomplishments 800,000 new jobs, 700,000 of which were in the private sector. In the report presented by Premier Vacaroiu during discussions of the opposition's no-confidence motion, it was clearly written that "400,000 people" were provided with jobs, of which "300,000 were in the private sector." Thus, half a million jobs have disappeared in a single stroke of the pen! Only God knows whether Mircea Dan Popescu behaved like a waiter inflating the bill or whether Premier Vacaroiu behaved like a lazy schoolboy, repeating what he hears whispered from the back of the class without thinking. One thing is certain, however: The government is very bad at arithmetic but brilliant when it comes to talking about percentages. Certainly, the percentage is invented. One could somehow understand an error of a few hundred—say from 810 to 540—privatized enterprises. But to fall back—that is: lose—500,000 new jobs is simply not repairable. We wish to extend our condolences.

Electricity Firm Denies Barter Deal With Serbia

AU3112193394 Bucharest ADEVARUL in Romanian 24-25 Dec 94 p 1

[Unattributed article: "Serbia Is Asking Renel For Electric Energy Supply"]

[FBIS Translated Text] Serbia has submitted a request to the public corporation Renel [Romanian National Electricity Network Corporation] to supply it with about 30 mwh of electric energy during the winter months—stated Marin Marinoiu, the corporation's director, to the MEDIAFAX Agency. Marinoiu mentioned that the raw material (methane gas) necessary to produce energy will be provided by the foreign partner and the payment will be by barter, with methane gas.

[Bucharest Radio Romania Network in Romanian, in its 1400 GMT newscast on 30 December, carries a statement by Renel Vice President Gabriel Popescu, who says the following: "I have learned from the press about what certain newspapers claim Director Marinoiu allegedly said at the Renel news conference held on 27 December 1994. I have been informed that Mr. Marinoiu denied this, and that he stressed that in no way had he referred to any concrete action by the corporation Renel with a partner in neighboring countries on electric energy

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exports. As a matter of fact, the press articles have astounded Renel's leadership, because no contracts have been concluded and no negotiations have taken place.

"I wish to emphasize that Renel has not concluded any contracts or engaged in negotiations with any Serb firm for an electric energy supply from Romania in exchange for gas, and that Renel does not intend to get involved in such deals with partners in the former Republic of Yugoslavia as long as such deals are subject to a UN embargo and implemented according to UN Security Council resolutions."]

Police Seize Heroin Headed for Netherlands

AU0201214095 Bucharest ROMANIA LIBERA in Romanian 29 Dec 94 p 16

[Report by Florin Ciucas: "Twenty Kilograms of Heroin"]

[FBIS Translated Text] Some days ago Customs and Police managed to seize 20 kg of heroin intended to be taken out of the country through the Bors border checkpoint in Bihor County. The drugs were wrapped in plastic bags and hidden in a special cache in the trunk of an automobile with Netherlands license plates. The driver of the car, Salim Ahmed, a Turkish citizen carrying a passport issued by the Turkish consulate in the Netherlands, was stopped by the police, after which an arrest warrant was issued against him. We have learned that Ahmed had been suspected of being a drug trafficker, and as a result of the statements he made after his arrest, the organized-crime-fighting bodies extended their inquiries to several other foreign citizens living in Romania.

It is also noteworthy that they have instated a severe news blackout over this seizure—the reason being the fact that ROMANIA LIBERA recently reported in detail about a similar case, which took place in February of this year, also at Bors Customs. At that time, Jovic Goran, a French citizen of Yugoslav origin was arrested. Goran had been commissioned by a South American citizen to smuggle 21.72 kg of Mexican-made heroin to the Netherlands. The merchandise had been brought to Bucharest by a Turkish citizen called Mustafa. Because we reported on the route followed by Goran, as well as the people he had met, the police accused us of having made their work difficult and of having warned the members of the gang. Because of this we would like to remind the Romanian Police that one of the common methods used by drug-smuggling organizations is to shadow their own merchandise until it exits the country. Should any "accidents" occur, the head of the operation learns about it within five minutes, as he is alerted by the team following the drugs.

That is how they know—rather than from the next day's issue of the daily ROMANIA LIBERA!

Bishop's Alleged Securitate Past Questioned

AU0201214195 Bucharest ADEVARUL in Romanian 29 Dec 94 p 2

[Report by Gyorgy Jakab: "UDMR Will Ask To See the SRI Files of All Political Leaders"]

[FBIS Translated Text] The publishing of certain incriminating documents regarding the collaboration of Bishop Laszlo Tokes [honorary chairman of the Democratic Union of Hungarians in Romania—UDMR] with the Securitate has caused high tension and internal dissent within the UDMR. During a UDMR news conference that took place in Cluj, Tokes said he feels compelled to defend himself. In his opinion "there is truth, but also false things" in the documents published by the press. Tokes pointed out that no one suffered due to the declarations he made. The Eldering family was sent into exile in 1989, but the magazine TINERAMA is still trying to link that event with a 1975 written statement by Tokes. The bishop also protested the allegations circulated by other publications about some of the terms he used during his 13-15 December 1994 [as published] news conference held in Timisoara. In Tokes' opinion, everything is happening according to a well-designed script. As a consequence of this scandal, a leaflet has been brought into circulation—the author of which is Benedek Nagy of the county of Harghita—"which is trying to best the most sinister writings" directed against Tokes. In order to avoid any further such scandals, the Executive Presidium of the UDMR has decided to ask the SRI [Romanian Intelligence Service] to allow it to see the files of all political leaders regardless of the party they belong to—said Csaba Takacs, chairman of the UDMR's executive body. Tokes has given up the idea of suing the aforementioned publications because he is certain he would lose the cases the way he lost in the Supreme Court when he filed suit because he had been called a fascist.

The members of the UDMR Executive Presidium summoned Bishop Tokes for Tuesday [27 December] to provide explanations in connection with his alleged past as a Securitate informer. However, the bishop avoided answering the question as to whether or not there was any real basis to the accusations—say local sources cited by the MEDIAFAX news agency. He declared that he never signed any written commitment to the Securitate.

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Government, Serbs Sign Cease-Fire Agreement

LD3112181794 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1800 GMT 31 Dec 94

[FBIS Translated Text] An agreement on a four-month cessation of hostilities covering all of Bosnia-Herzegovina was signed today, between a Bosnia-Herzegovina delegation led by Ejup Ganic and the Serb aggressor side. The agreement was signed with Yasushi Akashi, the UN secretary general's special envoy for former Yugoslavia.

Karadzic Signs in Pale

AU3112193594 Paris AFP in English 1926 GMT 31 Dec 94

[FBIS Transcribed Text] Sarajevo, Dec 31 (AFP)—The Bosnian Serbs signed the agreement on four-month cessation of hostilities Saturday evening, a UN Protection Forces (UNPROFOR) spokesman said here.

Major Herve Gourmelon told AFP that the Bosnian Serb leader Radovan Karadzic and the Bosnian Serb army commander general Ratko Mladic put their signatures to the same agreement the Bosnian government side signed in Sarajevo earlier in the evening.

The agreement was signed in the Bosnian Serbs' self-styled capital Pale under UNPROFOR mediation.

Croats Sign Accord 2 Jan

LD0201143295 Zagreb Radio Croatia Network in Serbo-Croatian 1400 GMT 2 Jan 95

[Report by Zdenko Vranjes from Mostar]

[FBIS Translated Excerpt] After two hours of talks in Mostar between General Michael Rose, UN Protection Force [UNPROFOR] commander for Bosnia-Herzegovina; Kresimir Zubak, president of the Federation of Bosnia-Herzegovina and of the Presidential Council of the Croat republic of Herceg-Bosna; and Herceg-Bosna Defense Minister Vladimir Soljic, the Croat representatives signed agreements on a cease-fire and cessation of hostilities in Bosnia-Herzegovina which were signed earlier by representatives of the Bosnian Serbs and Muslims.

At Zubak's request, a separate annex to the cease-fire agreement was signed, in connection with halting ethnic cleansing in Bosnian Serb-controlled areas. After signing the documents, President Zubak said:

[Begin Zubak recording] Gen. Rose and I signed a separate annex, and then Mr. Soljic and I signed the cease-fire agreement and the agreement on the cessation of hostilities. The first annex, about which I have just spoken, was signed by Gen. Rose and me. We demanded that the issue of halting ethnic cleansing, forced mobilization of Croats and Muslims in Serb-controlled areas, and demobilization of those who have forcefully been mobilized to their formations or work units be specially clarified.

Gen. Rose explained that this was provided for by points four and five of the cease-fire agreement. But I asked him that this part of the agreement be made separate—a separate annex—and he agreed. We are satisfied now because the situation is completely clear; not only that a cessation of hostilities and cease-fire are coming into force, but ethnic cleansing and forced mobilization of Croats and Muslims in Serb-controlled areas should stop. [end recording]

Gen. Rose said that the signing of the cease-fire documents with the Croat side was planned even before the Croat representatives announced that they will only honor documents that they themselves sign. [passage omitted]

'Unclear' Whether 2 Sides Signed Same Text

AU0101155195 Paris AFP in English 1527 GMT 1 Jan 95

[FBIS Transcribed Text] Belgrade, Jan 1 (AFP)—Bosnian Serb media released Sunday a slightly amended version of a four-month cessation of hostilities agreement signed a day earlier by Bosnia's warring parties.

The amended version of the text, released here by the SRNA news agency, differed in part of two of its 10 points from an English version that was published in Sarajevo after the agreement was signed by Bosnian and Bosnian Serb leaders.

A reference in the English text to a pledge to "monitor human rights" was dropped from the SRNA version.

Also, point seven of the Sarajevo version commits both parties to assisting fully in "the total restoration of utilities and the establishment of joint economic activities aimed at the normalization of life in all territories."

The phrase "aimed at the normalization of life in all territories" was missing from the Bosnian Serb text.

It was unclear Sunday afternoon whether the two sides had in fact signed two different texts.

Under the accord, both parties agreed to a complete cessation of hostilities along all Bosnia front lines from midday (1100 GMT) Sunday.

Sarajevo Radio 'Text'

LD0101181395 Sarajevo Radio Republike Srpske Program for Abroad in Serbo-Croatian 1630 GMT 1 Jan 95

["Full text" of agreement on the complete cessation of hostilities in Bosnia-Herzegovina]

[FBIS Translated Text] Following the cease-fire agreement signed on 23 December 1994, the sides have agreed

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to a complete cessation of hostilities which comes into effect at 1200 on 1 January 1995 on all fronts. This agreement will be in force for an initial period of four months, with the possibility of being extended, under the same conditions and with the consent of the warring sides.

The cessation of hostilities will be supervised by the UN Protection Force [UNPROFOR] which will set up joint commissions for this purpose. A central joint commission will be set up under the chairmanship of UNPROFOR, with the first meetings at Sarajevo airport. A regional joint standing commission will be established if needed and if the central joint commission so decides.

Liaison officers will be exchanged between UNPROFOR and the sides by 15 January 1995, and later if this is deemed necessary.

The cessation of hostilities will include the following measures:

The separation of opposing forces to agreed positions and the deployment of UNPROFOR forces to carry out supervisory duties including the interposing of UNPROFOR forces between the sides. The sides have agreed not to use any explosive munitions or weapons from which shells can be fired. In addition to this an agreement-seeking process will begin immediately on the ways and means by which heavy weaponry of 12.7mm caliber or larger can be withdrawn and by which UNPROFOR's supervisory role can be exercised.

Full freedom of movement, and corresponding procedures, will exist for UNPROFOR and other official international agencies, especially the UNHCR, in order to implement this agreement and in order to deliver humanitarian aid, including medical supplies, and to carry out evacuations. The sides are obliged to fully respect the security and safety of UNPROFOR personnel and others. UNPROFOR will continue to prevent abuse of freedom of movement of its personnel or convoys which could be of military use to one of the sides.

The sides are obliged to adhere fully and immediately to these and already existing agreements, including the agreement on Sarajevo airport of 5 June 1992, the agreement on Srebrenica of April 1993, the agreement on Srebrenica and Zepa of 8 May 1993, the agreement on the demilitarized zone of Mt. Igman of 14 August 1993, the agreement on Sarajevo airport of 9 February last year, the agreement on the movement of civilian traffic via Sarajevo airport of 17 March 1994, the agreement on Gorazde of 23 April 1994, and the antisniping agreement of 14 August 1994.

The sides have agreed to fully assist the complete reconstruction of communal services and organize joint economic activities, especially in and around the safe zones. These activities will be undertaken on the basis of reciprocity.

The sides have agreed to work ceaselessly and simultaneously on processes leading to the early freeing of persons captured during this conflict and to make available and verify all inaccessible information on persons about whom there is no information. This work will be undertaken under the auspices of the International Committee of the Red Cross and in agreement with its customary procedures. The sides are obliged to begin these processes from 15 January 1995.

The sides have agreed to cooperate with UNPROFOR in appropriately supervising and observing the withdrawal of all foreign troops. UNPROFOR will carry out this specific task on the basis of this agreement with the conflicting sides and in keeping with its obligations to the relevant resolutions and statements of the Security Council.

This agreement should not prejudice a final political or territorial solution.

TANJUG Carries 'Integral Text'

LD0201121695 Belgrade TANJUG in English 1136 GMT 2 Jan 95

[FBIS Transcribed Text] Belgrade, Jan. 2 (TANJUG)—An agreement on a four-month complete cessation of hostilities between the Bosnian Serbs and Muslims in Bosnia came into effect at Jan. 1 noon local time (1100 UTC [Universal Coordinated Time]).

The agreement was signed with the mediation of the representatives of the United Nations Protection Force [UNPROFOR] for Bosnia.

Following is the integral text of the agreement received by TANJUG on Monday from the Bosnian Serb news agency SRNA.

Agreement on Complete Cessation of Hostilities

1. Following the ceasefire agreement signed on Dec. 23, 1994, the parties agree to a complete cessation of hostilities with effect from 1200 hours Jan. 1, 1995 along all lines of confrontation. This agreement will be in effect for an initial period of four months, subject to renewal under these same conditions by agreement of the parties.

2. The cessation of hostilities will be supervised and monitored by UNPROFOR through the establishment of joint commissions. A central joint commission shall be established under the chairmanship of UNPROFOR, with initial meetings at the Sarajevo airport, and regional joint commissions shall also be established in permanent session as needed and as determined by the central joint commission.

3. Liaison officers will be exchanged between UNPROFOR and the parties by Jan. 15, 1995 and afterwards where deemed appropriate.

4. Cessation of hostilities will include the following measures:

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a. Separation of forces in conflict to mutually agreed positions and the positioning of UNPROFOR forces for observation and monitoring, to include interpositioning.

b. The parties agree to refrain from the use of all explosive munitions, and the use of weapons used to fire explosive munitions. In addition, talks will begin immediately on the modalities for the withdrawal and monitoring by UNPROFOR of heavy weapons of calibre 12.7-mm and above.

5. Full freedom of movement with appropriate procedures shall exist for UNPROFOR and other official international agencies, in particular UNHCR, in order to implement this agreement, to monitor human rights and to deliver humanitarian aid, including medical supplies and evacuations. The parties commit themselves to full respect for the safety and security of UNPROFOR and related personnel. UNPROFOR shall continue to prevent any abuse of freedom of movement by its personnel or convoys which might be of military benefit to either party.

6. The parties agree to comply immediately and fully with all existing agreements including the June 5, 1992 Sarajevo airport agreement, the April 24, 1993 Srebrenica agreement, the May 8, 1993 Srebrenica and Zepa agreement, the Aug. 14, 1993 Mt. Igman DMZ agreement, the Feb. 9, 1994 Sarajevo airport agreement, the March 17. 1994 agreement regarding the use of civilian traffic across the Sarajevo airport, the April 23, 1994 Gorazde agreement and the Aug. 14, 1994 anti-sniping agreement.

7. The parties agree to assist fully in the total restoration of utilities and the establishment of joint economic activities aimed at the normalization of life in all territories, and in particular, in and around the safe areas. These activities shall be undertaken on a reciprocal basis.

8. The parties agree to work continuously and simultaneously on processes for the early release of persons detained in relations with the conflict, as well as for the provision of cross-checking of all available information on persons unaccounted for. This work will be undertaken under the auspices of the ICRC [International Committee of the Red Cross], in accordance with their standard procedures. The parties commit themselves to commencing the processes by Jan. 15, 1995.

9. The parties agree to cooperate with UNPROFOR in the monitoring and observation of the withdrawal of all foreign troops. UNPROFOR will perform this specific task on the basis of this agreement with the parties to the conflict and in accordance with its obligations towards the relevant Security Council resolutions and statements.

10. This agreement is to be without prejudice to the final political and territorial solution.

[dated] Dec. 31, 1994.

Agreement on Phases of Cease-Fire Implementation

LD0201175395 Sarajevo Radio Republike Srpske Program for Abroad in Serbo-Croatian 1630 GMT 2 Jan 95

[FBIS Translated Text] Representatives of the Srpska republic army, units of the Muslim Sarajevo-based government, and the UN Protection Force [UNPROFOR] reached an agreement at Sarajevo airport yesterday on details in connection with the implementation of the agreement on a four-month cessation of hostilities in former Bosnia-Herzegovina, which took effect at noon yesterday.

At the first meeting of the joint central commission—the name of this permanent body which is made up of representatives of the Srpska republic army, Muslim formations, and UNPROFOR, and whose task is to supervise the implementation of the agreement—an agreement was reached that in phase one of the implementation separation lines between the warring sides should be defined; the separation of forces should begin in phase two; the specification of the location of observation posts and the places where UNPROFOR troops would be interposed will be discussed in phase three; and negotiations on the regrouping of forces behind the confrontation lines will take place in phase four of the implementation of the agreement.

Agreement on 'Blue Routes'

LD0101215395 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 2100 GMT 1 Jan 95

[FBIS Translated Text] Talks took place at Sarajevo airport today between the Army of the Republic of Bosnia-Herzegovina and the Serb aggressors' side, with the mediation of UN representatives. The Army of the Republic of Bosnia-Herzegovina was represented by Brigadier Generals Mustafa Hajrulahovic and Vahid Karavelic. The subject of the talks, among other things, was the way in which the agreement reached on 31 December on the cessation of hostilities might be implemented.

It was agreed that this agreement would be supervised and monitored by UNPROFOR [UN Protection Force]. It was also agreed to set up a joint central commission and regional commissions that would conduct their activities in Sarajevo and along the fronts in the zones of Bihac, Gornji Vakuf, Srebrenica, Zepa, and Gorazde. The tasks of the commissions are to establish separation lines and specify locations for observers. This will be agreed upon at the level of the central and regional commissions.

An agreement was reached on the opening of the blue routes [UN protected routes] to Sarajevo, Srebrenica, Bihac, Zepa, and Gorazde. It was envisaged that a subcommittee would be formed that would deal with the

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problem of the blue routes and the renewal of infrastructure facilities that would secure the normal functioning of life, says a statement issued by the press center of the Army of the Republic of Bosnia-Herzegovina.

Further on Talks

AU0101174995 Paris AFP in English 1739 GMT 1 Jan 94

[FBIS Transcribed Excerpt] Sarajevo, Jan 1 (AFP)—Senior officers from the Moslem-led Bosnian Army and rebel Serb forces met for three and a half hours here Sunday, taking the first concrete step toward implementing a nationwide truce their political leaders signed Saturday.

The officers gathered at Sarajevo airport with the United Nations Bosnian commander, General Michael Rose, to discuss the application of a four-month cessation of hostilities across Bosnia that took effect at 1100 GMT Sunday.

UN sources said Bosnian Generals Mustafa Hajrulahovic and Vahid Karavelic agreed to meet again soon with Serb General Zdravko Tolimir and Major Milzenko Imdic.

"The meeting was positive and business-like," said a UN officer. "Both parties showed good intent and seemed interested in addressing the specifics of implementing this agreement."

The encounter Sunday represented the first fruits of a UN-brokered accord to cease hostilities, undertake a separation of forces and allow the interpositioning of UN troops that was signed Saturday by Bosnian President Alija Izetbegovic and Serb leader Radovan Karadzic. [passage omitted]

A UN spokesman in Bihac, Edward Joseph, told AFP in Zagreb by telephone that Croatian Serb gunners on Sunday had fired artillery and anti-aircraft shells in the pocket. The Serbs have been attacking positions held in the region by the Bosnian army's Fifth Corps. Bosnian sources say Serb units are trying to cut off supply routes between Bihac town in the south of the pocket and Cazin in the center, where UN peacekeepers are stationed.

Generals Comment

AU0201205095 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1800 GMT 2 Jan 95

[Interview with Generals Mustafa Hajrulahovic and Vahid Karavelic by Arijana Saracevic on 2 Jan; place not given—recorded]

[FBIS Translated Text] [Saracevic] General, could you please elaborate on the concrete agreements reached yesterday?

[Hajrulahovic] After the signing of the agreement on the cessation of hostilities, the first meeting, working meeting, was held at Sarajevo Airport yesterday. The goal of the meeting was the establishment of a joint central commission which will draw up instructions for the regional joint commissions that will be the executive bodies of the central commission with the goal of implementing this agreement. The objective of these, as I have already said, joint regional commissions is the definition of the confrontation line, the establishment of observation posts for monitoring the cessation of hostilities, defining regions for collection points and the possible assembling and collection of troops and weaponry. The process should namely begin [words indistinct]. The speed of the implementation has still not been defined; however, the basic principles of both the central and regional commissions have been defined, and another meeting of the joint central commission, that is, the regional commission for the Sarajevo region, has already been held at Sarajevo Airport today. The goal of this commission encompasses all the things I have mentioned earlier and includes the opening of the blue route over Sarajevo Airport and controversial points within the demilitarized zone [DMZ].

[Saracevic] Where there any problems involving the DMZ?

[Hajrulahovic] There were no problems on our part. Namely, we have already confirmed the existence of certain hot spots, so that we will be able to overcome all the controversial issues during the implementation.

[Saracevic] You have just mentioned the central, that is, regional commissions. What does this actually mean?

[Hajrulahovic] In order to implement the agreement as effectively as possible, we have formed regional commissions in Bihac, Srebrenica, Zepa, Gorazde, in the region of Tuzla, Gornji Vakuf, and Zenica which have as their goal more immediate and effective participation in the implementation of the agreement. Moreover, these regional commissions, like the joint commission for [words indistinct] the forces of the so-called republic of Serb Krajina must withdraw from the Republic of Bosnia-Herzegovina [words indistinct]. We also agreed that the purpose of these joint regional commissions is to open the blue routes in Gorazde, Zepa, and Srebrenica which would enable the establishment of conditions for as normal a life as possible [words indistinct].

[Saracevic] Gen. Karavelic, you have just returned from Sarajevo airport where negotiations started yesterday on the ways of implementing the agreement [words indistinct]. What has been concretely agreed today?

[Karavelic] As you yourself said, after yesterday's meeting which I attended together with Gen. Hajrulahovic.... [pauses] and the meeting itself was in a certain way very much like the meeting of a joint central commission at which, among other things, we immediately scheduled today's meeting. The meeting today had the character of a meeting of a regional commission, a

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commission for the region of Sarajevo, the wider region, the city of Sarajevo and the wider region around it.

At today's meeting we discussed among other things the ways of implementing elements of the cease-fire, that is, the cessation of hostilities, of the agreement that was signed on 31 December last year. Today we mainly discussed the two agreements pertaining to the city of Sarajevo and the area around it, namely, the anti-sniping agreement and the agreement dating back to (?14 August) of last year on the separation zone, or, as the UN Protection Force members say, the demilitarized zone [words indistinct], and so forth. [Words indistinct] these two agreements need to be observed immediately, so to speak, this very moment, which means that they should have been implemented since 1200 on 1 January. We, for our part, have implemented them, particularly [passage indistinct] green light, and we would not have anything against all the blue routes opening at once. For our part, this will be implemented on 4 January by 1200.

[Saracevic] So, there really is goodwill on our part. (?Is the aggressor also prepared to implement the agreement)?

[Karavelic] I, as a soldier, would put it this way: hitherto, in the course of these three years of war, we have been deceived innumerable times. Even now I am not very optimistic, but in any case, in comparison to all such similar agreements, I am now more optimistic than in the case of other such similar agreements.

UN: Abdic Signs Bihac Cease-Fire Agreement

AU0201150595 Paris AFP in English 1446 GMT 2 Jan 95

[FBIS Transcribed Text] Sarajevo, Jan 2 (AFP)—Dissident Moslem leader Fikret Abdic has signed a local ceasefire agreement with United Nations military authorities in the Bihac pocket in northwestern Bosnia, UN sources reported here Monday [2 January].

They said Abdic, who last week gave verbal assurances to UN Bosnia commander General Michael Rose that he would respect a truce, finally signed a document to that effect on Saturday.

Abdic loyalists backed by rebel Serbs from the Krajina region of Croatia had been confronting Bosnian government troops in the region, endangering UN efforts to secure a full four-month cessation of hostilities in Bosnia.

But with Abdic's verbal pledge to freeze his confrontation lines, the United Nations here was able to win backing for the cessation of hostilities accord on Saturday from the principal protagonists, the mainly-Moslem Bosnian army and rebel Serb units.

The accord took effect at 1100 GMT on Sunday.

UN: Krajina Responsible if Abdic Breaks Truce

AU0201155895 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1400 GMT 2 Jan 95

[Report by Nada al-Isa from Zagreb]

[FBIS Translated Text] The purpose of today's meeting at Zagreb airport is to persuade the Serbs from the occupied Croatian territories to sign the peace agreement for Bosnia-Herzegovina, which means that they withdraw their armed forces from the region of Bihac and enable the opening of humanitarian routes. This was confirmed by the UN Protection Force [UNPROFOR] spokesman in Zagreb. At today's negotiations between UNPROFOR representatives and Borislav Mikelic, UNPROFOR will ask the Krajina Serbs to guarantee that Fikret Abdic will also observe the cease-fire if they sign it [passage indistinct] they will be responsible if Fikret Abdic violates the cease-fire. It is a well known fact that the remnants of Fikret Abdic's paramilitary are an integral part of the Serbian paramilitary, which actually makes it one and the same army.

I have it from unofficial but very reliable sources that Fikret Abdic himself will be invited to the negotiations so that he can be told in front of the Knin representatives that he has to observe the cease-fire. However, this UNPROFOR move is unclear. Why do they now wish to grant Fikret Abdic negotiating legitimacy which he does not have? However, UNPROFOR sources say that this is the price for the future free passage for humanitarian convoys. Therefore, let me repeat the information once more. UNPROFOR representatives at Zagreb airport are attempting to persuade the Serbs from the occupied Croatian territories to sign the cease-fire for Bihac, that is, Bosnia-Herzegovina, to withdraw their forces from Bosnia, and to open humanitarian routes.

UN Seeking Krajina Serb Withdrawal From Bihac

AU0201161495 Paris AFP in English 1540 GMT 2 Jan 95

[FBIS Transcribed Excerpt] Zagreb, Jan 2 (AFP)—The United Nations Monday [2 January] said it was engaged in negotiations to obtain the withdrawal of separatist Croatian Serbs from the neighboring northwest Bosnian enclave of Bihac.

Talks underway at Zagreb Airport involved Borislav Mikelic, premier of the self-proclaimed breakaway Serb republic of Krajina in Croatia, and the commander-in-chief of the UN Protection Force, General Bertrand de Lapresle, UN spokesman Thant Myint-U said.

The aim of the talks was to get the Krajina Serbs to join in the agreement on cessation of hostilities, concluded last month by warring Bosnian Government and Serb forces.

"The focus of discussion is our deep concern for Krajina Serb involvement in the Bihac pocket fighting," Myint-U said. "We do not know how many troops are engaged but Krajina plays a critical role by avoiding to withdraw, in spite of our repeated requests."

Krajina Serbs have been involved on the Bosnian Serb side in fighting in the Moslem-held enclave of Bihac and are not party to the ceasefire accord which came into force on December 24.

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Myint-U said that another point of discussion between de Lapresle and Mikelic was the free movement of humanitarian convoys and UN resupply convoys to Bihac which is surrounded by Serb troops who control access to the city.

Some 200,000 mainly Moslem civilians and more than 1,100 Bangladeshi UN troops are trapped in the enclave with little food and relief supplies. [passage omitted]

TANJUG Notes Cessation of Hostilities 1 Jan

LD0101144995 Belgrade TANJUG in English 1408 GMT 1 Jan 94

[FBIS Transcribed Text] Belgrade, Jan. 1 (TANJUG)—Bosnian Serbs and Muslims Saturday signed a four-month cessation of hostilities accord in Bosnia which comes into effect at Jan. 1 noon local time (1100 UTC [Universal Coordinated Time]).

Bosnian News agency SRNA said the accord was signed by special United Nations envoy Yasushi Akashi, Bosnian Serb president Radovan Karadzic in the Bosnian Serb centre Pale, and by Bosnian Muslim presidency Vice-President Ejup Ganic.

The accord, brokered by U.N. Protection Force [UNPROFOR] commander for Bosnia Lt.-Gen. Michael Rose, was signed for an initial four-month period along all confrontation lines, with the possibility of renewal (under the same conditions) and with agreement by all interested parties.

SRNA said the accord did not prejudge a final political or territorial solution for Bosnia-Herzegovina, which had over the past 30 months been ravaged by a civil war.

The accord was realized at the initiative of former U.S. President Jimmy Carter whose recent mediation mission pulled the peace process out of a deadend.

UNPROFOR will observe and monitor the cessation of hostilities by setting up joint committees and also the separation of forces in conflict to mutually agreed positions, one provision of the accord said.

SRNA said all parties had agreed to refrain from using any kind of ammunition and weapons. SRNA said the accord provides for the full freedom of movement with corresponding procedures for UNPROFOR and other official international bodies, especially the U.N. High Commissariat for Refugees, in order to secure the necessary relief and medical aid and evacuation procedures.

The accord also calls on UNPROFOR to continue preventing the abuse of the freedom of movement for its personnel or convoys which could militarily aid any of the parties.

SRNA said the parties agreed to completely help the resumption of communal services and setting up of joint economic activities, especially in safe areas and their vicinity.

The parties also agreed to engage in continuous and simultaneous activities for the release of prisoners of war and the supplying of information on missing persons with the cooperation of the International Committee of the Red Cross (ICRC), SRNA said.

These processes are scheduled to begin on Jan. 15.

Serbs Reportedly Fire on Hotel

AU0201193995 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1800 GMT 2 Jan 95

[FBIS Translated Excerpt] [Passage omitted] The 1st Corps Information Service reported that around 1200 [1100 GMT] a shell fired from a portable rocket launcher landed on the Holiday Inn Hotel. The shell was fired from the aggressor's positions in Grbavica. An enemy sniper—also from Grbavica—targeted the city district in the area of the Brotherhood and Unity Bridge, while small arms' fire was opened from the direction of Sucur Kuca at suburban residential areas. Our troops are strictly observing the orders issued in accordance with the agreement on the cessation of hostilities and are not responding to the enemy provocations. [passage omitted]

Serbs Note Muslim Violations

LD0201200595 Belgrade TANJUG in English 1958 GMT 2 Jan 95

[FBIS Transcribed Text] Doboj, Jan. 2 (TANJUG)—Bosnian Serb army sources on Monday said Muslims in northern Bosnia-Herzegovina had sporadically violated the latest four-month truce.

Bosnian Serb army sources said that Muslims had fired two 82-mm mortar shells on the Serb village of Rosulje on the eastern slopes of Mt Ozren. There were no casualties, but the shells caused considerable material damage to the buildings, the source said.

The agreement for a four-month cessation of hostilities was signed by Bosnian Serb and Muslim officials on Dec. 31 and took effect on Jan. 1.

Bosnian Serb army sources also reported heavy Muslim fire from small arms on Serb defences on the eastern sector of the Ozren front. There were no casualties among the Bosnian Serb troops, who did not return fire, the source said. The Bosnian Serb army reported that Muslims had violated the truce also on northeast of the northern town of Teslic, firing bursts from machine guns.

Bosnian Serb army sources said late Monday that Muslim troops on the fronts around the town of Doboj and on Mt Trebavac had mostly honored the ceasefire in the past 24 hours.

More on Serb Violations

AU0301095395 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 0900 GMT 3 Jan 95

[Report by Hamiz Deronjic and Nijaz Salihovic]

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[FBIS Translated Text] The Serbian-Montenegrin aggressor and Karadzic's Serbs have not stopped combat activities on the Brcko front in the last 24 hours. In addition to stepping up provocations from small arms, the chetniks were also active with snipers all day yesterday, targeting Vranovaca most frequently.

Last night, the enemy continued provocative actions. These were the most intensive in the western part of the Brcko front, where the area of [word indistinct] came under (?machine gun) attack by chetniks from the direction of Blazevac on several occasions.

All this time, the fighters of the 108th motorized and (?108th hill) Brigade, as well as members of the adjoining units of the 2d Corps, were observing the cease-fire agreement and did not return fire.

Regarding the three flights by the aggressor's helicopters between Bijeljina-Brcko-Pelagicevo early last night, one cannot say that they represent a violation of the international resolution banning flights over Bosnia-Herzegovina simply because the Serb aggressor has never respected the resolution, especially not in the so-called Brcko corridor.

Serb Violations Rare

AU0301095995 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 0900 GMT 3 Jan 95

[Report by an unidentified correspondent from the Bosna Operations Group Press Center]

[FBIS Translated Text] Karadzic's rebels have only very rarely been firing small arms along the defense lines in the theater of operations of the Bosna Operations Group. In the Zavidovici-Vozuca area, the aggressor forces have been regrouping and there was some vehicle movement.

The most serious incident happened when two 60-mm mortar shells were fired on our positions on (?Mahovicko) Brdo. The defenders did not return fire, strictly adhering to the order to stop all combat activities.

Truce 'Respected' in Herzegovina

LD0301102495 Belgrade TANJUG Domestic Service in Serbo-Croatian 0946 GMT 3 Jan 95

[FBIS Translated Excerpt] Bileca, 3 Jan (TANJUG)—The latest truce between the Muslim and Serb sides is being respected in all sectors of the Herzegovina front, the command of the Herzegovina Corps in Bileca said today.

However, there has been no peace in the front's southern sectors, where Serb forces are facing the regular units of the Republic of Croatia and the HVO [Bosnian Croat forces]. Strong Croatian forces have been massing in the area over the last few days. [passage omitted]

Izetbegovic Views New Cease-Fire Pact

LD3112224194 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 2100 GMT 31 Dec 94

[New Year's message by Bosnia-Herzegovina President Alija Izetbegovic in Sarajevo on 31 December—recorded]

[FBIS Translated Text] Dear citizens of Bosnia-Herzegovina, another difficult year is almost over. It has been a year of suffering and losses but also a year of success. I know that it has been difficult for you and that it still is, but you should know that what was intended for us is much more difficult and horrible.

We managed to thwart those plans by working and fighting. Our defense is stable now, and our general economic and political situation is much better than a year ago. New Year's Eve and this program are not suitable for long speeches. That is why I will mention only several most important issues on this occasion.

Today, only one hour ago, we signed yet another document mediated by UN representatives, an agreement on a truce in Bosnia-Herzegovina. As you know, we signed a cease-fire agreement earlier. It turned out to be useful. Except for Bihac, we had no wounded or killed soldiers on other fronts over the last seven days since the agreement was signed. Today's truce and cease-fire agreement should also encompass the Bihac front.

The idea that guided us during the latest negotiations was to avoid loss of human lives if possible and to ease the living conditions for our people without jeopardizing our essential goal: Bosnia's survival as a state within its internationally recognized borders and preservation of conditions for its future development as a free and democratic state. We like to describe it as a state in which no one will be persecuted on the basis of religious, national, or political affiliation.

If the agreement signed today is respected, the truce will come into effect at fronts on which people were being killed and wounded until recently. There will be more security in villages and towns, more security in our encircled towns, and more food and medicine. Roads will be opened, etc. I said more security because we will have to wait a long time for full security. The days ahead will show us if all this will be realized, but today's agreement has opened the door for such an option. In order to prevent the enemy from using this agreement to prolong the occupation of the state for an undefined period, the agreement was signed for a four-month period. Negotiations on a political resolution of the conflict should begin in the meantime. The negotiations can begin only if the Serb side accepts the contact group peace plan [words indistinct].

We will resume efforts to unblock and implement the Constitution of the Federation and the Washington agreement. We will work on this persistently and

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patiently because it is in the interests of our state and all of its citizens. In order to achieve this aim, we will ask our friends to help us.

As far as the enemy is concerned, we should not overestimate or underestimate him. We know his weaknesses but also his potential. The enemy could not cope with us on his own. However, he is not alone. He has open and hidden alliances. This fact, as well as the place and the historic context in which the drama of our nation is taking place, should not be let out of sight for a moment. That would be irresponsible on our part. The war must not last a day longer than it has to, but peace cannot be and will not be accepted regardless of the cost. Therefore, we will negotiate when we can do so and wage war when we must. If the enemy does not show readiness for a rational political solution over the next four months, the truce will not be extended, and we will ask for the arms embargo to be lifted beginning 1 May next year.

We do not want this to happen because of our people and not because of the enemy. We do not owe them anything except justice, and justice will come one day, sooner or later.

Let us remember on this occasion, with respect and a sense of debt, those who died in the struggle for freedom or as casualties of the war. Let us also remember our refugees, and let us hope that they will return to their homes soon. Let us devote our thoughts for a moment to our soldiers on frontlines this cold December night. Rahmet to the dead, and congratulations to those alive for walking tall and straight through the last year. Of course, I wish all the best to all of you in the forthcoming year. God will help the nation that is working and fighting for freedom.

Prime Minister Silajdzic Gives New Year Address

LD3112152094 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1400 GMT 31 Dec 94

[New Year's Address by Bosnia-Herzegovina Prime Minister Haris Silajdzic on 31 December—live or recorded]

[FBIS Translated Text] To all those for whom these words will have the meaning, we wish all the best, in the first place health and peace in the New Year. I am above all thinking of those who are on the frontlines, the ones at the altitude of 2,000 meters, and those in the trenches [words indistinct]. I am also thinking of those who lost their nearest and dearest. We can be of no big help to them, but we can say that we sympathize with them, and that we can best repay them by continuing to both defend and build our state. We need to do both. It is they that I remember above all. I know it is difficult to talk about our martyrs and our dead ones. However, the most we can say is that they are in our thoughts.

I am also thinking of all our other citizens, our fighters, our children, and I wish them a better future.

Silajdzic Calls For Arms Supplies to Bosnia

LD0201092695 Cologne Deutschlandfunk Network in German 0615 GMT 2 Jan 95

[Telephone interview with Prime Minister Haris Silajdzic by unidentified reporter in Sarajevo on 1 January; Silajdzic speaks in English with superimposed German translation—recorded.]

[FBIS Translated Text] [Reporter] How do you assess the chances of success of the cease-fire accord?

[Silajdzic] It might work, it might not, like any other agreement. After all, there have been so many other agreements which turned out to be failures. Let us hope that it will work this time, and let us also hope that the international community will take advantage of this opportunity to exert still more pressure on Belgrade to ensure it accepts this international peace plan.

[Reporter] Do you mean to say that the Serb Government continues to support the Bosnian Serbs?

[Silajdzic] Of course. You may wish to ask the western government for the true number of border violations between the two countries. After all, everybody knows just how permeable that border is. Belgrade continues to support the Serbs with troops, fuel, weapons—in fact everything.

[Reporter] Do you believe that Belgrade is the key to a solution?

[Silajdzic] Of course. The problem is that we all talk about a negotiated settlement, about a peace accord, whereas the aggression against Bosnia-Herzegovina and the tragedy in that country continues. The question is: Just how long is the international community going to condone the genocide in Bosnia, for this here is genocide? I think that the four months should be used to find out whether the Belgrade regime and the Serbs in Pale really do want peace or not. If not, then at the end of the four-month period in April, the international community must not only lift the arms embargo against Bosnia but also supply Bosnia with arms, in case the international community does not wish to intervene in Bosnia according to the UN Security Council resolutions. If the international community cannot carry out the UN Security Council resolutions then it will have to arm Bosnia so that it can defend itself. I therefore call not only for the lifting of the arms embargo but also for arms supplies to Bosnia. The international community already has inflicted great damage to this country. Thanks to the UN Security Council resolutions we have been unable to defend ourselves for three years.

[Reporter] UN special envoy Akashi said after the signing of the cease-fire accord that the way is now clear to resume diplomatic negotiations about a final peace solution. What is your view on that?

[Silajdzic] There exists the international peace plan for Bosnia. This means that first of all, all sides must accept the Contact Group map before negotiations can be resumed.

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[Reporter] The Bosnia Contact Group peace plan thus remains the basis for future peace talks?

[Silajdzic] Yes.

Karadzic Hopes Carter Heralds New U.S. Style

LD0101145995 Belgrade TANJUG in English 1432 GMT 1 Jan 95

[FBIS Transcribed Text] Belgrade, Jan. 1 (TANJUG)—Bosnian Serb president Radovan Karadzic has said he hoped former U.S. President Jimmy Carter was a herald of a new political style on Bosnia.

Karadzic said he hoped the new U.S. political style would really contribute to reaching a peace in Bosnia-Herzegovina.

Bosnian Serb news agency SRNA quoted Karadzic as saying in a special issue of the paper OSLOBODJANJE marking Jan. 9, a holiday in the Bosnian Serb republic that, without the neutral mediation of the United States, the crisis in Bosnia could not be resolved in a way acceptable to all parties.

"We have been close to a solution a number of times, but everything fell through due to the biased stands of some circles in the U.S. Administration who encouraged the Muslims to continue attacking the Serbs and demanding more than was realistic," Karadzic said.

Karadzic expressed positive views about Carter who recently mediated a ceasefire agreement between the Bosnian Serbs and Muslims. This resulted in an accord on the cessation of hostilities, which was signed on Saturday and came into effect on Jan. 1 at noon local time (1100 UTC [Universal Coordinated Time]).

Karadzic said Carter's visit was the result of "Washington's different, more balanced position" on the conflict in Bosnia. "The main obstacle to the resolution of the crisis has been a lack of objective mediators, such as Mr. Carter," Karadzic said. He said Carter was a highly morally dignified diplomat with an excellent intuition for the people he was speaking with and a balanced approach to problems.

FRY Blockade of Bosnian Serbs Seen as Porous

95P20314A

[FBIS Media Note] Bo Pellnas, head of the civilian mission of the International Conference on Former Yugoslavia, assessed the enforcement of the embargo at the border between Bosnia-Herzegovina and the Federal Republic of Yugoslavia (FRY) as "satisfactory" in his November monthly report to the cochairmen of the conference, Lord Owen and Thorvald Stoltenberg. In an interview published in the 3-4 December issue of Belgrade NEDELJNA BORBA, Pellnas stated that the conclusions of his report were "positive" and that, "generally speaking, there have not been many drastic violations...no more than we expected."

The Slovene press, however, continues to report that the embargo is leaking. In the 14 December issue of the Maribor daily VECER, the paper's Belgrade correspondent reported that, despite official Yugoslav assurances that "only humanitarian aid" was being sent to Bosnian Serb territory, the Bosnian Serbs were being supplied with "weapons, fuel, and even new missile systems." Citing Bosnian Serb Vice President Biljana Plavsic, VECER reported that the Serbs had "adequate reserves" and that they were getting additional help from "friends and enemies." VECER quoted Bosnian Serb President Radovan Karadzic as asserting at the inception of the blockade that it would "not hurt us" since "oil can also be bought from the Croats," whose deliveries would be "reliable" albeit "more expensive." VECER noted that it was "no secret" that trade across the demarcation line between Serbs and Croats in Herzegovina has continued to grow.

Oil from Yugoslavia has also continued to flow across the Drina River, although "on a smaller scale," VECER claimed, adding that nobody could control all the border passages in the mountains of southern Serbia and northern Montenegro. According to the paper, another weak point in the blockade is the Belgrade-Bar railroad, which runs through Bosnian territory for a few kilometers, offering an opportunity to unload fuel from tankers.

VECER alleged that the same routes were being used to smuggle weapons and explosives to the Bosnian Serbs. The paper noted, however, that contrary to U.S. assertions that new antiaircraft missile systems had "just recently" been sent across the Drina to Bihac in western Bosnia, these missiles had been stored in Han Pjesak near Pale, citing as evidence past threats by Bosnian Serb generals to use them.

According to the VECER correspondent, additional border monitors would not solve the problem because they would never be able to control the entire border. Even if Belgrade were determined to seal it off, VECER contended, war profiteers motivated by "huge profits" would find a way to resupply Karadzic.

Another article, in the 16 December issue of the Ljubljana daily REPUBLIKA, alleged that the Serbian-Bosnian border in the Sandzak region of Serbia was "very poorly monitored." Quoting "Muslim political circles in Novi Pazar," the principal city of Sandzak, the paper wrote that six international monitors were responsible for eight border crossings around Priboj and that they reportedly checked only documents and not truck cargoes. A similar situation was alleged to exist in the Plevlja area in Montenegro. REPUBLIKA also claimed that "more than 300 members of the FRY special police" had participated in the recent fighting around Bihac. In the paper's view, this confirmed the suspicion that Serbia continues to supply military aid to the Bosnian Serbs.

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Owen, Stoltenberg, RSK Leadership Talks in Knin

LD0201171195 Belgrade TANJUG Domestic Service in Serbo-Croatian 1637 GMT 2 Jan 95

[FBIS Translated Text] Knin, 2 Jan (TANJUG)—Lord Owen and Thorvald Stoltenberg, cochairmen of the conference on the former Yugoslavia, this afternoon began talks with the Krajina leadership in Knin.

Krajina's delegation includes Milan Martic, president of the republic of Serb Krajina [RSK], Prime Minister Borislav Mikelic, and Foreign Affairs Minister Milan Babic.

The talks will focus on the opening of the oil pipeline, although Krajina will, as its representatives say, insist that an earlier agreement should be fulfilled whereby the Croatian side should return spare parts for the generators of Obrovac hydroelectric power plant.

The package of agreements on economic cooperation between Croatia and the republic of Serb Krajina envisages that the rotor terminals that Croatia dismantled at some point and removed from this power plant should be reinstalled following the opening of the Zagreb-Belgrade highway.

President Tudjman Gives New Year's Address

LD3112200694 Zagreb Radio Croatia Network in Serbo-Croatian 1800 GMT 31 Dec 94

[New Year's address to the nation by President Franjo Tudjman in Zagreb on 31 December—recorded]

[FBIS Translated Text] Croatians in the country and abroad and citizens of Croatia: Looking back on the outgoing year, we can state with pride and full responsibility before the Croatian people, before history and the world, that in 1994—to which we are saying our farewell—we have strengthened the international position of the sovereign Croatian state and have laid foundations for the successful implementation of economic recovery by introducing a stable national currency and the legal foundations for a market economy. We have strengthened our defense forces and have shown the strength and maturity of our internal democratic order.

We have created firm and permanent preconditions for the resolution of all burning issues, about which I spoke the other day before the Assembly on the fourth anniversary of the adoption of the first Constitution of an independent and democratic Croatia.

Dear Croatians in the country and abroad and all citizens of Croatia, with the firm belief in a better future for Croatia in the upcoming 1995, I am sending my New Year's greetings to all the members of the Croatian Army and police, who this evening are also standing along the frontlines at the defense of their homeland and in the streets and are looking after the security of our citizens.

I am sending my New Year's greetings to refugees and displaced persons, invalids, and all those who have suffered and made sacrifices for our free Croatia. I wish peace and happiness and the fulfillment of all wishes to all youngsters and children who are the greatest wealth and the future of a free and independent Croatia.

I am sending my New Year's greetings and wish for all the best to workers and farmers, scientists and cultural workers, pupils and students, Croatian sportsmen and pensioners, businessmen, and members of all other social classes.

I am also sending my greetings and best wishes for a prosperous year to all the members and officials of the legislative, judiciary, and executive authorities, from the Croatian state assembly and government to county, town, and municipal leaderships.

We are entering the new year with a proven belief in our people and with the hope that the new year will bring an end to the crisis of war, the liberation of Croatia's occupied areas, a fair peace in Bosnia-Herzegovina, normalization of Croatian-Serbian relations, and a better understanding between Croatia and other nations in the world.

With this belief and hope, my dear fellow countrymen and citizens, I wish you much health and success, personal satisfaction, and happiness in the New Year, to the benefit of your families and the entire Croatian homeland. Let the new 1995 be happy and blessed.

Duty Imposed on Humanitarian Aid for B-H Muslims

LD3112110394 Belgrade TANJUG Domestic Service in Serbo-Croatian 0936 GMT 31 Dec 94

[FBIS Translated Text] Belgrade, 31 Dec (TANJUG)—The Government of the Muslim-Croat Federation held a session in Neum four days ago. No member of the Muslim nationality was present, and Prime Minister Haris Silajdzic was never informed about it, the Muslim daily OSLOBODJENJE reports in today's issue.

Ministers and deputies of the Croatian nationality passed a unanimous decision, the source claims, to impose customs duties on humanitarian deliveries intended for the Muslim part of former Bosnia-Herzegovina. They also decided that a quantity of oil derivatives, intended as humanitarian aid for the Muslim part of central Bosnia, be diverted to the Croat part of western Herzegovina.

Given that the only border crossing is situated in Doljani, near Metkovic, which is under Croat control, it is almost certain that all the income obtained from customs duties on humanitarian goods for Muslims will flow into the coffers of the Croat republic of Herceg-Bosna.

Bobetko Notes Army's Ability, Development

LD3012200494 Zagreb HTV Television in Serbo-Croatian 1830 GMT 30 Dec 94

[FBIS Translated Text] Looking back at 1994, what has the Croatian Army done this year, and what is it expected to

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do in 1995? These are just some of the topics tackled at a news conference given by General Janko Bobetko, chief of general staff of the Croatian Army, today.

In every respect, 1994 was a special year. First of all, it was a year in which the organizational structure of the Croatian Army was consolidated. It has become a mighty military power. Second, there are no more doubts in the world about the Croatian Army's ability to restore its territories; and third—and most important—the Croatian Army is now the force which sets the pace in the military sphere.

[Begin Bobetko recording] I think that we are entering a year which will bring these developments to a head; one should not be surprised if we start carrying out that task [not further specified] with a swift and lightning solution. Serbs are definitely no longer able to do in Croatia what they did in 1991 and partly in 1992. [end recording]

Now, it is Croatia's turn to choose goals and places where it will solve its problems. There are two ways to reach a solution: Peaceful, as hitherto, but also the war path, for which Croatia is completely ready. This was particularly reflected in the recent developments, for instance the opening of the Zagreb-Lipovac highway.

[Begin Bobetko recording] If they start killing our people on our highway Croatia will not write a protest letter to Butrus-Ghali. Croatia must mop up this road. There is no more diplomacy there. [end recording]

When it comes to diplomacy, Gen. Bobetko said: There has been an increasing number of questions in the world: Why did Croatia wait for the solution so patiently and for so long?

Djuro Djakovic Firm Resumes Tank Production

AU0201214395 Zagreb VJESNIK in Serbo-Croatian 29 Dec 94 p 5

[Article by Fran Visnar: "Croatia Has a Tank for the 21st Century"]

[FBIS Translated Excerpt] One of the exceptionally important news items for Croatia in the new year 1995 is the resumption of a special (military) purpose production in the Djuro Djakovic firm in Slovonski Brod.

In addition to building streetcars, buses, tractors, and ships, the Croatian heavy industry has openly demonstrated that, among other things, it can produce the most modern tanks. Even before the disintegration of Yugoslavia, this company had been successfully producing the M-84 tank that was based on the Russian T-72 tank. Croatian engineers took into account both experiences, removed the deficiencies that they encountered, introduced changes necessary for the continuation of serial production, filled in the gaps, started working on the production of special machine tools, and organized the production of various components and parts in other factories throughout Croatia. A brilliant result is in front of us. The final product appeared in half the time that is needed to develop a complex tank in other countries. [passage omitted]

In any case, the resumption of the production of one's own tank of this type is exceptionally important for the Croatian Army, especially in view of the fact that this is the third generation of the tank capable of fighting in this region and in our conditions even into the first decade of the 21st century.

If one takes into account the fact that the Djuro Djakovic plant used to deliver to the former Yugoslav People's Army a large number of M-84 tanks per year (25 in 1985; 35 in 1986; and 50 in 1987, 1988, and 1989), it is easy to work out how many tanks of this type Croatia will have in the next five years.

IDS Leader: Croatia Should Be Federal State

LD0201143395 Belgrade TANJUG Domestic Service in Serbo-Croatian 1304 GMT 2 Jan 94

[FBIS Translated Text] Zagreb, 2 Jan (TANJUG)—Ivan Pauletta, deputy president of the Istrian Democratic Assembly [Istarski Demokratski Sabor, IDS] and a deputy in the Croatian Parliament, has said Croatia should be a federal state, In an interview for the Split weekly FERAL TRIBUNE, Pauletta stressed that "either Croatia becomes a federal state or it will disappear." He added that many European countries, including Germany, are also federal states.

We are being accused of demanding from Croatia what it demanded from former Yugoslavia: Before seceding, Croatia demanded financial sovereignty and a high level of autonomy regarding its cadres, Pauletta recalled. "That is exactly what is presently lacking in Istria and all other regions" in Croatia, he warned.

When we spoke of Istrian demands for a high degree of autonomy we did not mention union with some other state, Pauletta pointed out. He went on to say that, on the contrary, their opinion is "that it is better to have self-rule rather than being ruled by somebody else."

Speaking about the Serbs living in Istria, Pauletta recalled that they settled there a long time ago, some even several centuries ago, and that they have become part of Istria. Pauletta said: "They are almost native Istrians and I do not know why we should treat them differently." Asked about Croatia's chances "of escaping from Tudjman's grip," Pauletta said that "what is so tragic about Croatia at this moment is that despite all its human potential there is no momentum necessary for competent people to assume the leadership of Croatia."

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Ivanov Holds Conference on Latest Strikes

AU3012125394 Skopje NOVA MAKEDONIJA in Macedonian 29 Dec 94 pp 1,2

[Report by V. Cvetkovska: "No Company Will Be Liquidated"]

[FBIS Translated Text] The situation in the 23 companies that are the biggest loss-makers in the state, the strikes in some of these companies, and the government measures for their transformation, were the reasons for Risto Ivanov, minister of finance, to hold a news conference yesterday and to present the basic goals of the special program for transformation and the results of contacts hitherto with the companies and the workers on strike, as well as the first steps to be undertaken by the new government.

As Ivanov said, the Budget of the Republic of Macedonia [The Former Yugoslav Republic of Macedonia] for the next year has allocated the necessary financial means for the transformation of the economy, particularly concerning the workers that might be afflicted by the transformation, as well as financial means for the accomplishment of the program for the 23 loss-makers. Ivanov presented the stance of the IMF and the World Bank, that is the state need not finance the long-term loss-makers, but the government's stance is that it is not possible because they have been losers not only because their programs were not profitable and old technology was applied, but also because of other factors, such as the absence of the former Yugoslav markets and a disparity in the interest rate and the currencies. Finally, some credits have been agreed from the World Bank for the support of these companies for a period of six months to a year, depending on the separate programs, and this will confirm that these companies can also make a profit.

As Ivanov emphasized, after various expert analyses it was concluded that there is not a single company that should be fully liquidated, but the opinion is that by suspending its debts it is possible to define whether or not a company can make a profit. He also said that they had had several contacts with the leaderships of the companies on strike and their trade unions, after which the conclusion was that there are many misunderstandings as to what these programs represent.

Ivanov also said that the budget will provide $40 million in credits to these profitable projects and $30 million in support to those workers that will be afflicted by the transformation. As Minister Ivanov emphasized, an agreement has been reached in "11 October" [factory producing buses] and Skopje Iron Factory to put the transformation program into operation in agreement with the management, the leading teams, and the trade unions. The moment this has been achieved, the transformation program will start. In "Treska" [furniture factory] the problem is different, because no agreement been reached on whether or not to make the transformation.

Since a law on the implementation of the special transformation program has not yet been adopted, the old law and budget provide for separate agreements with each of the 23 loss-makers that can ask for support from the budget by presenting their projects for making a profit. This means that all support will depend on such a program.

Asked by the journalists about what would happen in 12 months when the support to the workers facing redundancy will be over, Ivanov said that these measures are short-term, but there are other possibilities for easing the problem of unemployment and new employment of these persons. Minister Ivanov also said that if up to five workers facing redundancy are fired, this should be announced seven days in advance, and that if 100 workers are fired, the term should be from two to three months.

Official Reports on Illegal Alien Extraditions

AU3012125594 Skopje NOVA MAKEDONIJA in Macedonian 29 Dec 94 p 4

[Report by S. Colakovski: "A Total of 2,278 Foreigners Were Denied Hospitality"]

[FBIS Translated Text] Information on the imprisonment and then extradition of a group of Albanians from the Federal Republic of Yugoslavia [FRY] and members of the so-called Kosovo Assembly that was published by the Albanian mass media and Tirana provoked various reactions in the public of Macedonia [The Former Yugoslav Republic of Macedonia] lately. This confusion was also a result of the scarce information from Macedonia's Interior Ministry about the whole affair. We discussed this matter with undersecretary of the Service for Public Security Dime Gjurev.

First of all, the most important thing is to underline that the Interior Ministry's activities in connection with this case are not an incidental action, but they are regular activities of our ministry and its department on foreigners when it discovers foreign citizens who have not regulated their stay in our country in accordance with legal requirements. The Interior Ministry is engaged in controlling and regulating the stay of foreign citizens in the republic particularly in this year, and more intensively in the year 1995. The aim was to have a full control over people who are staying in our country and what their activities are. If the ministry finds that these people do not have their stay in our country regulated they undertake measures appropriate to the law on foreigners. There are two categories of measures undertaken by the Interior Ministry; hospitality to foreign citizens is either denied or they are extradited, the head of public security emphasized.

In the first case the words of Undersecretary Gjurev were related to foreigners that have stayed in our country under various circumstances, but they do not fulfill the conditions any more, and therefore they are denied

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hospitality. In the second category there are those foreigners who are found on the territory of Macedonia without appropriate documents that can define their identity and if it has been confirmed that they do not have appropriate means for living or are not permanent residents. In such a case the interior minister files charges for their immediate extradition. This implies that foreigners are transported in official vehicles to the border that they had crossed in coming into the country.

According to police data, in the last six months the Interior Ministry has denied hospitality to 2,278 foreigners, out of which 700 persons have been extradited. During the whole year 936 foreigners have been denied their stay in Skopje, while 283 persons were extradited. Most of the foreigners that are illegally staying in our country come from Albania, the FRY from Bulgaria, Romania, Russia, Ukraine....

Asked about the extradition of members of the so-called Kosovo Assembly, Gjurev replied, "We do not have such information because those people never informed us about that." However, the Interior Ministry respects the laws and it is taking adequate measures. As a result, most of the foreigners that were extradited from Skopje had several passports on them. Upon their own requests some were extradited to our northern border, across Tabanovce, where they were accepted by the bodies of their state, while others who wanted to go to Albania were extradited there.

Report Summarizes Latest 1994 Census Data

AU3012125494 Skopje NOVA MAKEDONIJA in Macedonian 29 Dec 94 p 2

[Report by K. Cangova: "Thirty-Three Nationalities Have Been Registered in Macedonia"]

[FBIS Translated Text] A total of 1,936,877 citizens live in the Republic of Macedonia [The Former Yugoslav Republic of Macedonia] according to the census that was held in June and July this year, out of whom there are 976,051 men, that is 50.4 percent, and 960,826 women, or 49.6 percent. There are 1,288,330 Macedonians in the state, or 66.5 percent, out of which number there are 646,713 men and 641,617 women. There are 449,914 Albanians, or 22.9 percent, out of whom there are 224,862 men and 218,052 women. There are 8,467 Vlachs out of whom 4,554 are men and 3,913 women. There are 43,732 Romanies, out of whom there are 22,297 men and 21,435 women. There are 77,252 Turks out of whom there are 39,390 men and 37,862 women, and there are 39,260 Serbians out of whom there are 19,847 men and 19,413 women.

These data about the gender distribution of the population were revealed at yesterday's news conference of the republican Department for Statistics. It was also revealed that there are 28 other nationalities living in Macedonia: Austrians, British, Belgians, Bosniaks, Bulgarians, Germans, Greeks, Danes, Jews, Egyptians, Italians, Muslims, Norwegians, Poles, Romanians, Russians, Rusinis, Slovaks, Slovenians, Ukrainians, Hungarians, French, Dutch, Croats, Montenegrins, Czechs, Swiss, and Swedish. There are 5,188 or 0.2 percent that have not declared their nationality.

The director of the republican Department for Statistics Svetlana Antonovska also presented data about social and economic trends in 1994 that can be used as official statistical data until the final dissemination of the definite results. The statistical institution assessed that it is expected that the total population in Macedonia by 31 December this year will be 1,947,634. The birth rate for the next year is expected to rise by 2.4 percent.

As far as the social GDP of this year is concerned, expressed in terms of 1990 prices, it will decrease by 6.2 percent compared to the last year. An increase is expected only in agriculture, fishing, and water supply. Investments in the social gross domestic product are expected to be 16.8 percent, while in production they are expected to be only around 8.8 percent. If we take into account that amortization in the social GDP will take 14.2 percent, the degree of disinvestment in production will be extremely high and without any prospects for improvement in the short term. Only seven industrial branches are expected to increase their production in the next year, and they make up 22.2 percent of the total structure—power supply, colored metals fabrication, non-metal minerals, fabrication of chemicals, production and fabrication of paper, production of beverages, and tobacco.

According to Antonovska, prices are expected to rise in all areas. The prices of goods will be 55.4 percent higher this month compared to December last year, and living expenses will be 55.6 percent higher. The average net salary in Macedonia for 1994 will be 7,817 denars, and that is 106.7 percent higher than it was a year ago. According to assessments on salaries and living expenses for this year, it is expected that profits will decrease by 9.7 percent compared to last year. At yesterday's news conference it was emphasized that we have a growing number of workers that are not being paid regularly. The average number of these persons this year is 63,040 or 15.7 percent, out of which 60,087 or 18.9 percent are employed in economic and 2,953 or 3.5 percent in noneconomic sectors.

Miljovski Explains Economic Program for 1995

AU3012125294 Skopje NOVA MAKEDONIJA in Macedonian 29 Dec 94 p 2

[Report by K. Cangova, M. Jovanovski: "Government Measures Promise Further Stabilization"]

[FBIS Translated Text] The parliament session started with a delay of three and a half hours due to the protracted work of the parliamentary commissions. Jane Miljovski explained that the law projects and draft decisions proposed by the government were urgent and connected to the basic proposal on the budget for next

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year. Miljovski emphasized that some proposals concerning taxes have to be adopted very urgently because the new fiscal year is approaching and equal regulations should be applied. The agenda was adopted with a majority, that is 97 members of parliament voted in its favor. Despite the efforts of some members of parliament to start the agenda with the point on financing the hydro-system "Lisice," this was not supported and priority was given to the budget.

At the beginning of his speech, Jane Miljovski emphasized that we cannot expect further stabilization if we do not undertake the measures in the package of economic laws. Afterwards he explained the budget framework. One of the bases of the government project was a higher inflation figure for next year projected at 17.8 percent. At the beginning of next year inflation is expected to be 1.75 percent per month, and in the second half of the year it is expected to decrease to 1 percent per month. Social production is expected to rise 0.8 percent compared to the four-year long stagnation, of which industrial production will rise by 0.7 percent, and agricultural by 1.5 percent compared to this year.

Gradual Filling of Treasury

Moreover, the service for public income will be reorganized with the aim of promoting efficiency in paying for the incomes. At the same time, the budget is very restrictive, particularly in giving subsidies to agriculture, the workers' salaries—paid from the budget, and only essential investments will be allowed. Minister Miljovski warned that the budget will participate with 28.37 percent for the gross social product. He also talked about some projections of income that should contribute to a gradual filling of the state treasury. The main income is supposed to be from the following areas: personal income tax, profit tax, acquisition taxes, trading tax, as well as some other customs and imports taxes. The contribution of these taxes to the budget will amount to 45.3 million denars. There will be 9.6 billion denars from personal income taxes and that is 5.53 percent more that it was this year, taxes on profit will provide 2.9 million denars and that is a quarter more than it was this year. Purchase taxes are expected to increase the budget the most—47.34 percent, and the customs taxes—47.8 percent. The rest of the budget will be formed from administrative and court taxes, as well as other incomes.

A deficit of 1.8 billion denars is expected in incomes for the next year that will be covered by the credit from the World Bank. Talking about this "loss" in the budget Miljovski said that this year the deficit in the gross product decreased from 3.5 to 1.5 percent. The means that what is received from the World Bank will be used for repaying the debts of the 23 loss-making companies to the international financial institutions.

Lower Bank Interest Rates

One of the most important items in the expenditures is related to the rehabilitation of the banks, for which 7.18 percent of the budget, or 3.54 billion denars will be dedicated. The transformation of the banks will help in clearing their debts and their privatization. In this context the government expects bank interest rates to be greatly reduced in the first half of the next year and this trend to continue until the end of 1995. This was the reply of Minister Miljovski to the main comment of the economists in parliament about the government economic policy.

Although a great part of the budget will go on salaries, rents, and compensation (around 16 billion denars), and that is an increase of 15 percent, the reason for this is not because wages have been increased, but the new employment in the ministries. The salaries of those that are paid from the budget will actually be increased by 8 percent in the next year. Payments for social protection will also be increased in this budget and that will be a practice also in the future, particularly for those that remain without a job after the transformation and privatization of companies. 2.8 billion denars is being set aside in the budget for 67,000 socially disadvantaged families in the country, 2.3 billion denars for paying off 15,576 workers facing redundancy and for 12,500 job-seekers.

Financial resources have also been planned for the construction of the railway to the Republic of Bulgaria, at 4.46 percent of the total budget income, that is, 2.2 billion denars. The budget will strictly control agricultural subsidies and these will amount to 1.9 billion denars for the coming year, while the promotion of exports is planned to amount to 363 million denars.

At the end of his speech Jane Miljovski emphasized that the parliament and the government are in favor of reducing the participation of the budget in the gross product. That is possible in two ways: By reducing expenditures, and that is painful, or by increasing production, which is easier. In the end, Miljovski concluded that the conflicting opinions among the commissions were successfully overcome and that the commissions are in favor of solving the problems of the loss-making companies and for a continuation of cooperation with the international financial institutions.

Police Sentenced in Beating Death

95P20324A Skopje NOVA MAKEDONIJA in Macedonian 17 Dec 94 p 5

[Article by Vl. R.: "Policemen from Bogomila Sentenced: Prison Terms Ranging from Three to Four-and-a-half Years"]

[FBIS Translated Text] Yesterday, a five-member criminal court panel under the jurisdiction of the Okrug [district] Court in Skopje passed sentences on policemen from the police station in the village of Bogomila in the Titov Veles district. Vlado Gligorovski, 28, a native of Prilep, received a prison term of four years and six months; Stevce Zezovski, 34, of Bogomila, was sentenced to three years' imprisonment; Goran Drskacev,

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28, of Titov Veles, deputy commander of the police station, got four years; and Marjanco Trifonov, 23, also of Titov Veles, will serve a three-year prison term. The policemen were sentenced because of their infliction of severe bodily wounds on Zdvako Georgievski, 30, who died from his injuries.

To recapitulate, on 23 February 1994, Georgievski was called to the police station in the village of Bogomila for official interrogation concerning allegations that he had carried out the theft of several liters of rakija [brandy]. Although the sequence of events is unclear, the policmen allegedly attacked Georgievski physically, first somewhere on the upper floor, then in the ground floor hall, and inflicted serious corporal injuries on the suspect. Georgievski left the police station with several broken ribs and skull wounds from which blood was seeping into the brain. Zdravko Georgievski died several hours later from the injuries he received.

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Defense Ministry Denies Military Training Muslims

LD3012105494 Zagreb Radio Croatia Network in Serbo-Croatian 1000 GMT 30 Dec 94

[FBIS Translated Text] The Slovene Defense Ministry has issued a statement denying claims that military training centers for Muslims from Bosnia-Herzegovina have been set up in Slovenia. The Defense Ministry in Slovenia also denies reports that Muslims received forged documents made in Slovenia. This statement was issued in response to a report on Slovene aid to Bosnian Muslims published by the Belgrade news agency TANJUG two days ago.

Fail to Mention Centers

LD3012144594 Belgrade TANJUG Domestic Service in Serbo-Croatian 1234 GMT 30 Dec 94

[FBIS Translated Text] Ljubljana, 30 Dec (TANJUG)—The Slovene Defense Ministry today attempted to deny a report, according to which Muslim soldiers are being trained in Slovenia.

The Ministry claims that "special military centers for training Muslims from Bosnia-Herzegovina do not exist in any part of Slovenia," but it does not deny that such training exists in Slovenia altogether.

The denial fails to mention the centers of the former territorial defense of Slovenia, which officially do not have the label "special."

The Slovene Defense Ministry also says that "there are no such (special) centres in the Ljubljana district of Siska, in Tezno near Maribor, or in Studenica in Pohorje."

Drnovsek Urges Caution Integrating Into Europe

AU3012185394 Ljubljana Radio Slovenia Network in Slovene 1430 GMT 30 Dec 94

[FBIS Translated Text] Our Prime Minister Dr. Janez Drnovsek in his new year message expressed a belief that, in general, the past year was favorable in many respects. Prudence and optimism are preconditions for the economic, social, scientific, and cultural prosperity of our country. For the government and myself, as its prime minister, being in harmony with the trends in society and the aspirations of individuals within it is a prerequisite, begins the prime minister's New Year's message, and continues:

When I note the encouraging atmosphere that prevails here I do not exaggerate the importance of achievements that we have achieved together in the economic, financial, and social sphere. Of course, I could also mention other very important spheres and realms of activity. I also do not wish to underestimate the disagreements, differences, paradoxes, and very painful conflicts that we have encountered throughout the year, which to an extent mounted toward the end of the year. These conflicts testify to specific dynamics that our society is experiencing, of the numerous possibilities we are forced to choose between even though they are often mutually exclusive, of planned, but nevertheless, risky moves that we must make in the effort to secure for ourselves the greatest possible gains and the smallest possible losses in the long run. This is the fate of any policy that is by its very nature eternally paradoxical.

It would not benefit anyone if we tried to falsify reality. For this reason I merely put forward some conclusions and strive to be as objective as possible:

Stabilization, consolidation, growth, and development in the economic and financial sphere are indisputable. This is confirmed by indicators of trust in the Slovene economy, enterprise, management, and primarily, in the Slovene tolar. Of course, we are still facing numerous problems, such as unemployment and social problems, shortage of housing, and growing crime linked to it. We will continue to face these occurrences.

Despite some alarming voices, even in the international sphere, there is no real reason for fear and defeatism in Slovenia. The difficulties that have accumulated recently, primarily in relations with our neighbors, were actually expected and in many ways a consequence of false expectations on behalf of our bigger partners—that they would be able to dictate our actions. The process of Slovenia's integration in Europe and the world is running its course unhindered. We joined the Partnership for Peace; we are one of the founding members of the World Trade Organization; and there are numerous promising bilateral and multilateral contacts, plans, and links. What is important is that Slovenia join these European and international trends cautiously, without an inferiority complex, and with a healthy and unfaltering dose of confidence that does not mean vanity or self-deception. Through such behavior we will raise our worth in Europe and in the world.

Last but not least, we are going into the new year with a new local self-rule system, which will still face numerous tests, challenges, and appropriate corrections, but can nevertheless be used immediately to assert and realize the wishes, needs, interests, and initiatives of citizens in their concrete, direct environments, thus, complimenting the needs and interests that we are striving to assert and realize at the state level.

I see the biggest prospects for our state in the citizens' desire for active cooperation and their constant and persistent initiative in all realms and at all levels of life. I perceive the activity of citizens as a superstructure to the fundamental, historic consensus on the basis of which we won our independence. With it, and in less tense circumstances, we will be able to create in the future a political and social atmosphere, and culture, in which we feel comfortable, safe, and at home.

By trusting in the values that link us all, esteemed fellow citizens, I wish you personal prosperity, happiness, and good health in the coming year, said the prime minister.

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Federal

Lilic: Early Resumption of Bosnia Peace Talks

LD0101181095 Belgrade TANJUG in English 1736 GMT 1 Jan 95

["Pool" item]

[FBIS Transcribed Text] Budapest, Jan. 1 (TANJUG)—Federal Republic of Yugoslavia President Zoran Lilic expressed hope on Sunday that the international "Contact Group" plan for Bosnia would soon come up for adoption.

He said it would create conditions for new talks and a restoration of lasting peace in the former Yugoslav Republic of Bosnia-Herzegovina.

In an interview with Hungarian Radio and the national MTI news agency, Lilic said more and more countries now admitted that the Federal Republic of Yugoslavia wanted the Bosnian crisis to be settled peacefully and that it was making concrete moves in that direction.

Commenting on the unjust sanctions imposed on Yugoslavia by the United Nations in 1992 for alleged involvement in the Bosnian civil war, Lilic said that Yugoslavia had done everything in its power to bring about their lifting.

He expressed hope that the sanctions would indeed be lifted this year.

It is possible to restore peace in Bosnia only by treating equally all of the three confronted sides there, Lilic said. He denied accusations that Belgrade is aspiring to create a "greater Serbia."

Speaking about the former Yugoslav republics, he said that Yugoslavia "will not recognize Bosnia-Herzegovina until it has become a new state acceptable to all of its three peoples."

There is no reason for haste because it was the early recognition that led to the current civil war in the first place, he said.

Yugoslavia will recognize the Former Yugoslav Republic of Macedonia when it settles its dispute with Greece, while Slovenia has already been recognized by the previous Yugoslav Government and there is no need to repeat that, said the Yugoslav president.

In the case of Croatia, Yugoslavia supports Cyrus Vance's plan and will recognize Croatia after the plan is implemented, said Lilic and repeated that the Federal Republic of Yugoslavia had no territorial claims.

As part of the Vance plan, United Nations peacekeepers were deployed in the territory of the former Yugoslav Republic of Croatia and the republic of Serb Krajina in March 1992. They are planned to stay there until a final political settlement of the conflict between Zagreb and Knin.

Asked about the future of Serbia's southern province of Kosovo and Metohija, Lilic said that it was an integral part of the Republic of Serbia and that current difficulties could be surmounted only by democratic means if the ethnic Albanians should accept dialogue.

An ethnic Albanian separatist movement in Kosovo, which aspires to secede the province from Serbia and join it to neighboring Albania, has been boycotting all official and political institutions of Serbia and Yugoslavia.

Lilic voiced satisfaction over the development of the overall Yugoslav-Hungarian relations. He said, however, that the regime of U.N. sanctions was an obstacle to developing those relations in a scope the two sides hoped for.

Jovanovic Protests Serb Treatment in Croatia

LD0201112795 Belgrade TANJUG Domestic Service in Serbo-Croatian 0929 GMT 2 Jan 95

[FBIS Translated Text] New York, 2 Jan (TANJUG)—In a letter to UN Secretary General Butrus-Ghali, Yugoslav Foreign Minister Vladislav Jovanovic sharply protests over Croatian authorities' violations of the International Agreement on Civil and Political Rights regarding the ethnic Serb citizens of Croatia and the Orthodox religion. Jovanovic warns that Croatian authorities, following the tradition of the former fascist regime of Ante Pavelic [World War II pro-Nazi Croatian leader], whose pictures adorn the barracks of the present Croatian Army, have been carrying out the policy of converting the Serbs to Catholicism or expelling them from Croatia. Children in nurseries and schools as well as priests of the Serb Orthodox church are particularly targeted.

Without denying Croatia the right to introduce religious education as an optional subject in its schools, Minister Jovanovic says in his protest that ethnic Serb and Orthodox children who do not attend these classes are being branded as non-Christian and are being subjected to harassment and scorn. In order to protect their children and to provide them with normal education, parents have been asking the Serb Orthodox church institutions for certificates that their children were christened in Orthodox churches. These certificates are then given to Catholic priests and they subsequently baptize the children in Catholic churches and send them to attend instructions in Catholic catechism.

According to reports presented in the Croatian parliament, around 10,000 Orthodox children have been converted in this manner so far, Minister Jovanovic points out and recalls that the deputy [Dragan Hinic, Serb People's Party] who revealed these details was even physically attacked by the HDZ [Croatian Democratic Community] deputies.

As Croatian authorities claim that this phenomenon is a result of the Serb Orthodox church's failure to organize

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catechism for Orthodox children in Croatian schools as provided for by regulations, Jovanovic recalls that they [Croatian authorities] forgot to say publicly that Serb churches in Croatia had been razed to the ground, priests imprisoned and tortured in jails. Most of the priests have been expelled from Croatia, including five bishops who are not allowed to return. Even if they were allowed to return they would not have anywhere to go back to because as many as 279 Orthodox religious buildings have been destroyed or damaged, the letter says.

Jovanovic asked the secretary general to use his influence with the government of Croatia to get it to fulfill its international responsibilities regarding civil and political rights.

Government Effort To Control BORBA Protested

AU0101190895 Paris AFP in English 1851 GMT 1 Jan 95

[FBIS Transcribed Excerpt] Belgrade, Jan 1 (AFP)—Thousands of people formed a human chain around the headquarters of BORBA, Yugoslavia's only major independent newspaper, Sunday to protest government efforts to control the daily, one of its journalists said.

The rally called by an association of independent journalists lasted around an hour, and more demonstrations are planned for the next few days, the journalist told AFP. [passage omitted]

Journalists Form Company

AU3012173494 Paris AFP in English 1638 GMT 30 Dec 94

[FBIS Transcribed Text] Belgrade, Dec 30 (AFP)—Journalists on the independent Yugoslav daily BORBA announced Friday they had formed a new publishing company to ensure the paper's survival and foil an attempted takeover by a government bidding to silence dissent.

The company, called Fininvest, was registered with the board of trade at Novi Sad, 70 kilometres (45 miles) north of Belgrade, one of the journalists, Rasko Kovacevic, told a press conference at the paper's offices here.

BORBA has been at war with the rump Yugoslav government since authorities attempted to impose the federal information minister, Dragutin Brcin, as the paper's director last week.

Rival editions of the paper have appeared, a motion of censure against the government has been placed before parliament and a demonstration of support held in the streets of Belgrade.

Kovacevic said the new company would probably bring out the paper under a slightly changed name, Nasa BORBA (Our Struggle), as a result of a ruling Wednesday by the Belgrade commercial court ordering BORBA to be wound up. The change of name would be made "at the suggestion of the readers," he said.

The owner of Fininvest is Dusan Mijic, BORBA's leading shareholder, and the editor would be Gordana Logar, who heads the committee formed by the rebel journalists.

All the more than 120 journalists effectively sacked following the board of trade's ruling will be taken on by the new paper, Kovacevic said.

Since Monday BORBA has been appearing in two rival versions, one official, brought out by a team set up by Brcin, a member of the ruling Socialist (formerly communist) party, and the other published by the journalists who have refused to cooperate with him.

Only five members of the old staff have sided with Brcin, Logar said Wednesday.

Kovacevic said the print run of the rebel edition was 10,000 copies with improving sales in 17 Serbian towns and cities. It was being sold by volunteer vendors on the streets.

Sales of the official edition, appearing on newsstands, have not been divulged by the authorities. The state-approved BORBA consists mainly of unsigned articles and despatches by the official TANJUG news agency.

Two thousand people rallied in support of the paper in central Belgrade Thursday, backed by the opposition Democratic Party (DP) and representatives of the city's few remaining independent media organisations: Studio-B television, B-92 radio and the weekly magazine NIN.

They were reacting to a commercial court ruling a day earlier that the original BORBA publishing company should be wound up following the cancellation of its registration on November 9.

BORBA was removed from the register of companies at the government's urging on a technicality relating to its creation as an equity company three years earlier.

On Wednesday, 36 opposition deputies in the Yugoslav parliament laid down a motion of censure against the government for its appointment of Brcin, arguing that the government had "violated the constitution by assuming for itself a right which belongs to parliament."

The commercial court stipulated earlier in the week that deputies rather than the government had the right to appoint the newspaper's director.

Editors Issue Statement

AU3112142394 Belgrade BORBA (Alternative Edition) in Serbo-Croatian 29 Dec 94 p 2

[Unattributed report: "Brcin's Preliminary Steps Are Threatening, Blackmailing, Repressionist"]

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[FBIS Translated Text] The BORBA Editorial Board met on 28 December in its current, full, and unchanged character. The meeting was chaired by Radivoj Cveticanin, deputy chief editor, authorized to do so by Chief Editor Gordana Logar who had to perform other duties. The Editorial Board adopted the following views and stands:

1. The Editorial Board wishes to inform the public that Mr. Dragutin Brcin, who has been appointed director and chief editor by the Federal Government, has taken preliminary steps in this publishing house and newspaper, steps that cannot be viewed as anything other than threats, blackmail, and repression.

A. A certain gentleman who has been introducing himself as Ivan Markovic, also assistant director in charge of legislative and cadre issues, yesterday sneaked a paper into the editorial office in which employees of the BORBA Joint-Stock Company are called upon to, as it is put, regulate their working status in the BORBA Newspaper Publishing Enterprise by 5 January 1995. With this action, the nonexistent assistant to the nonexistent director—as the court refused to register Mr. Brcin as director—is exerting brutal pressure on the employees, because what is involved is the very delicate issue of people's employment and personal survival. In this respect, the Editorial Board supports the already issued announcement by the BORBA Trade Union.

B. Mr. Dragutin Brcin also "sneaked" into the editorial office a document in which he announces the replacement of the current editorial board and appointment of his own. He informs journalists that they should perform their working duties in agreement with his "assistant," without disclosing the latter's identity.

Therefore, not only has Mr. Brcin failed to introduce himself, he is also establishing phantom cadres. Anyhow, everything regarding his work with BORBA so far is phantom-like: He is producing his issue of BORBA outside the editorial office, without the BORBA editorial staff, and, it goes without saying, directed against the BORBA editorial staff. The examples given here are already sufficient to draw conclusions regarding the true nature of Mr. Brcin's intentions. Despite the proclamations presented in the editorial of his first issue, one should not doubt that what is involved is an attempt to use unscrupulous administrative measures with a view to squelching BORBA as an independent, open, and democratic paper. The Editorial Board and the editorial staff are convinced that after this, Mr. Brcin's demagogic and would-be democratic slogans will be unable to deceive anybody.

2. The Editorial Board asserts with pleasure that the editorial staff has maintained full activity and, we would say, complete unity. For the public's sake, we state once again that of over 120 journalists, only five have made themselves available to Mr. Brcin. One can thereby perhaps understand why he used pressure and blackmail with a view to forcefully winning people over.

3. The Editorial Board and the editorial staff consider such behavior not only damaging for the newspaper, but also very damaging for our country's reputation and prestige in the world at a time when it is painstakingly rejoining the international community. We feel free to remark that those people standing behind Mr. Brcin and the intervention he embodies should certainly take this fact into account.

4. BORBA's editorial staff and Editorial Board highly appreciate the support they are receiving from the democratic public in our country and the world.

They particularly acclaim some federal deputies's initiative on a no confidence motion to Kontic's cabinet due to the BORBA case. This initiative is significant also because due to television relay of the assembly debate, the truth about BORBA will be able to break through the total blockade that has so far caused it to be known only to a limited number of people.

The editorial staff considers this support for BORBA to be, in fact, support for freedom and democracy in general, and therefore, for the freedom of our profession.

5. The editorial staff and Editorial Board want to point out to the fact that Mr. Brcin's BORBA is using some extremely unfair methods, such as using material prepared by this editorial staff. Thus, for instance, names of some of our colleagues who did not join Mr. Brcin's team have been misused in today's issue of that BORBA, whereby the public has been deceived and moral damage done to our colleagues.

6. Finally, the editorial staff and Editorial Board inform the public that our jury for BORBA's book of the year award has started its work. One may observe with satisfaction that all the literary critics who used to work for our newspaper in the past will be taking part in the jury's work.

Serbia

Army Prepared to Protect Northwest Borders

LD3112084794 Belgrade TANJUG Domestic Service in Serbo-Croatian 0021 GMT 31 Dec 94

[FBIS Translated Text] Belgrade, 30 Dec (TANJUG)—The People's Assembly of the Serb Republic this evening [30 Dec] passed a recommendation to the Supreme Command and the General Staff of the Serb Republic Army to urgently proceed with preparations for the defense of the republic's northwestern borders if Croatian forces do not accept the agreement on the cessation of hostilities in former Bosnia-Herzegovina, SRNA reports.

At the end of the session, Momcilo Krajisnik, president of the People's Assembly, told SRNA he believes that the resolutions adopted in the course of the debate on the

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military situation on the Bihac and Glamoc-Grahovo-Kupres fronts will contribute to the consolidation of peace, and serve as a preventive measure should there be no cease-fire.

"This was the only item on the agenda on which a debate was held behind closed doors. The deputies decided that this part of the session should be closed to the public in order to protect state secrets," Krajisnik explained.

Milosevic Sends Optimistic New Year's Message

AU3012185894 Belgrade Radio Beograd Network in Serbo-Croatian 1800 GMT 30 Dec 94

[FBIS Translated Text] Good evening respected listeners. In a statement for the Radio and Television of Serbia, Slobodan Milosevic, president of the republic, has addressed the citizens of Serbia and send them New Year's greetings.

[Begin Milosevic recording] Good evening. Citizens of Serbia, I address you with the belief that we are entering the new year with many reasons for optimism, as 1994 has undoubtedly been successful regarding the realization of all the main goals we have set, and these are peace, economic development, and the fight against crime.

There is no doubt that, with regards to peace, we have taken an enormous step, including the beginning of a thawing of the sanctions that are exerting pressure on our country.

Regarding economic development, a major success in the realization of the economic program is also indisputable.

Regarding the fight against crime, we have taken a number of radical steps that will yield results for a longer period of time than that for which they have been planned.

All this gives us reason to enter the new year with optimism. For the results that we achieved this year, and the results that we are supposed to accomplish next year, everyone has contributed: workers, peasants, businessmen, trade unions, the government, in other words, all of Serbia.

There is no doubt that with the involvement of all citizens, all enterprises, all state organs, chambers, trade unions, and all subjects of the social and economic development, the accomplishment of the goals that we have set for ourselves as a task in the coming year will be successful.

I expect that in the new year we will achieve a final peace over the territory of the former Yugoslavia, that we will realize further successful developments in our economic program, and that we will take radical steps regarding security and peace in our country.

I am sure that all the citizens of Serbia will give whatever they can to contribute to these results. I wish everyone much success in this. I wish everyone a happy new year. [end recording]

Novi Sad Registers More Than 34,500 Refugees

LD0201121195 Belgrade TANJUG Domestic Service in Serbo-Croatian 1003 GMT 2 Jan 95

[FBIS Translated Excerpt] Novi Sad, 2 Jan (TANJUG)—More than 34,500 refugees from areas engulfed by the war in former Yugoslavia were registered in Novi Sad at the end of 1994.

According to the executive committee of the Novi Sad municipal assembly, the number of refugees increased by 223 over the last month but the overall number varied throughout the year because 10,000 refugees left the city.

As many as 16,800 children are among the refugees. [passage omitted]

Montenegro

Assembly Adopts Republican Budget for 1995

LD3012184294 Belgrade TANJUG Domestic Service in Serbo-Croatian 1503 GMT 30 Dec 94

[FBIS Translated Excerpt] Podgorica, (TANJUG) [no date as received]—The Assembly of Montenegro today adopted a republican budget for next year to the tune of nearly 500 billion dinars.

The budget was drawn up on the assumption that the sanctions and their consequences will still exist in 1995, and that production and social product will have a growth tendency.

It was envisaged that prices and the exchange rate of the dinar should be stable, while wages and other personal income in the first quarter of 1995 will stay at the November 1994 level.

The largest slice of the budget will be used for wages and joint consumption in education, administration, and the judiciary, culture, and science—over 215 million dinars—while 58 million dinars have been earmarked for investments. [passage omitted]

Kosovo

Rugova Assesses U.S., European Support

AU3112153794 Tirana TVSH Television Network in Albanian 1900 GMT 29 Dec 94

[Mehmet Haziri telephone report from Prishtina]

[FBIS Translated Text] Earlier threats by President Bush and the latest by President Clinton on Christmas Eve that the United States is ready to do its utmost to stop the conflict in Kosova and intervene if Serbia attempts

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such a thing [as heard] constitute a sincere and decisive formulation, President Rugova stressed in an interview with KOHA of Prishtina.

It is important that both Republicans and Democrats have committed themselves to support the Kosova issue and advance it until political victory, Rugova said.

Assessing his latest visits to the United States and Europe as successful, President Rugova stressed that our aim is to convince our interlocutors that the results of the referendum are the foundation of our demands. We have demanded a civil administration, which is a more moderate form of a classical protectorate, and for this a greater interest was demonstrated, to avoid a Serbo-Albanian conflict.

President Rugova also pointed out that the possibility of a confederal tie with Albania was an interesting concept for his interlocutors.

All the meetings held in the United States, such as that with Anthony Lake and Madelein Albright, and in Europe also, particularly with Mr. Kinkel, were hopegiving.

President Rugova stressed that Mr. Kinkel has continuously supported the Kosova issue and the problem of Albanians in general. He promised that the issue of the Albanians of Kosova will soon be put forward in the framework of the European 12.

Kosova has been affirmed in all the diplomatic and governmental circles of Western countries and these premises allow us to gain the courage of clearer vision for next year, Rugova stressed.

I am convinced that next year, the Kosova issue will be full of political lists to resolve its problem and I am convinced that the solution to the Kosova issue will be beneficial for all of us, President Rugova declared for the holiday issue of the journal KOHA.

Rugova Reviews 1994; Condemns FYROM

AU3112153994 Tirana TVSH Television Network in Albanian 1900 GMT 30 Dec 94

[FBIS Translated Text] Dr. Ibrahim Rugova, president of the Republic of Kosova, considered the year we are leaving behind to have been very grave for Kosova—a year of torture, repression, and violence, but also a year of good results in the international affirmation of the Kosova issue. At today's news conference in Prishtina, President Rugova said that next year, the Kosova issue is expected to be put forward as an issue requiring a solution in the framework of all the crises in former Yugoslavia and the Balkans. Correspondent Mehmet Haziri is on the line from Prishtina:

[Haziri] At today's meeting with reporters, President Rugova demanded the immediate release of former Albanian policemen and Sezaik Shaipi, chairman of the Turkish Popular Party, who were recently arrested by the Serbian-installed government.

Based on the tense situation in Kosova, President Rugova assessed that the year we are leaving behind has been one of torture, repression, and systematic violence.

Commenting on relations with Macedonia [The Former Yugoslav Republic of Macedonia, FYROM] after the deportation of the delegates of the previous legislature of the Kosova Assembly, Rugova said that their eviction was a hasty act by the Skopje authorities. Rugova said that he demands that Macedonia contribute more to relations with Kosova in the future, in order to ensure cooperation and understanding between the two countries, considering that Macedonia has a large ethnic Albanian population. Even regarding relations with Albania, Macedonia should show more understanding as Albania has helped Macedonia, especially when it faced a grave situation following the Greek embargo, Rugova stressed.

Rugova also greeted the resolution on Kosova, approved by the UN Assembly, stressing that this is an action and a document that promotes the issue of Kosova, and it is good that this year ends with such a document. The resolution approved by the UN General Assembly and sponsored by Albania is an outcome of Albanian international policy, Rugova stressed at today's meeting with reporters.

President Rugova organized a traditional reception for Kosovar reporters on Christmas eve and to celebrate the new year. On this occasion, Rugova thanked especially journalists of the Albanian RTSh, the newspapers RILINDJA and BUJKU, and all the editorial offices and foreign agencies that have informed and contributed to presenting facts and making known the Kosova issue.

Year of 'Repression, Violence'

AU0301111195 Pristina KOSOVA DAILY REPORT in English No 520 30 Dec 94

[FBIS Transcribed Text] The last week has been marked by a systematic repression and violence against the Albanians, president of the Republic of Kosova, Dr. Ibrahim Rugova, said today in a press conference in Prishtina, recalling that one more Albanian, Hasan Cubolli (80), died of police torture.

Dr. Ibrahim Rugova spoke of the continuing persecution of LDK [Democratic League of Kosovo] activists in Podujeva, Kaanaik, Dean, Shtrpc and Gllogovc. He singled out the case of Mehdi Bardhil, Gllogovc LDK branch chairman, who was last year for three months in detention, then tried and sentenced to one year in prison, and tortured again in November 1994. He was arrested last week again.

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The prosecution of former Kosova policemen and army officers has been continuing, said President Rugova, protesting also against the arrests and torturing of Sezair Shaipi, chairman of the Prizren-based Turkish People's Party.

The year we are leaving behind was a year of torture, pressure and systematic violence in Kosova, President Rugova remarked.

Commenting on the recent deportation by the FYROM [The Former Yugoslav Republic of Macedonia] authorities of member of the outgoing legislation of Kosova Assembly, President Rugova assessed the move as a hasty action of the FYROM authorities and called on Macedonia to contribute more in the future to relations with Kosova, cooperation and understanding between the two countries (Kosova and Macedonia).

Ending his comments President Rugova hailed the Resolution on Kosova passed by the UN General Assembly. This is a document which promotes further the Kosova issue, Dr. Rugova underscored. In spite of violence and repression, the Kosova issue has been affirmed in the international stage, diplomatic and state circles, said President Rugova in reply to a question by reporters, and expressed hope that the Kosova issue, in the coming year, will be addressed as an issue which requires an urgent solution within the framework of crisis in former Yugoslavia and in the Balkans.

Bukoshi: Concern About Arrests in FYROM

AU0301111095 Pristina KOSOVA DAILY REPORT in English No 520 30 Dec 94

[FBIS Transcribed Text] The prime minister of the Republic of Kosova, Dr. Bujar Bukoshi, sent yesterday a letter to Mr. Stevan Crvenkovski, foreign affairs minister of the The Former Republic of Macedonia (FYROM), expressing deep concern about the arrest and deportation of the deputies of the outgoing legislation of the Kosova Assembly.

"May I take this opportunity to remind you that these delegates were residing in Macedonia in accordance with an agreement reached between the authorities of Republic of Kosova and Macedonia in June 1992. Their presence in the territory of Macedonia was in accordance with Macedonian law, and under the said agreement the Macedonian Ministry of the Interior was in receipt of their addresses. During their stay they had respected the conditions of the agreement," says Dr. Bukoshi.

Further in his letter Dr. Bukoshi says that on the occasion of Mr. Ramajli's arrest (chairman of the outgoing legislation), the FYROM authorities seized the complete archives of the Assembly, including acts passed by Assembly, correspondence of the chairman and other ministers, and other audio and video recordings of the Assembly proceedings, urging the FYROM authorities return the seized materials.

The Kosova prime minister remarks further in his letter that such actions of the Macedonian Government can hardly facilitate the Albanian-Macedonian relations at a time when the situation in the Balkans is already tense.

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